

VOLUME II

THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

CONDOMINIUM OFFERING PLAN FOR
ONE CENTRAL PARK — SOUTH TOWER
AT
AOL TIME WARNER CENTER CONDOMINIUM

25 AOL Time Warner Center
New York, New York 10019

TOTAL INITIAL PURCHASE PRICE OF THE 133 SOUTH TOWER ("ST")
RESIDENTIAL UNITS OFFERED HEREBY IS

\$626,790,000

(The 6 Non-Residential Units and the 65 North Tower ("NT") Residential Units
to be included in the Condominium are not offered for sale hereunder.)

Sponsor:

Columbus Centre Residential LLC
60 Columbus Circle
New York, New York 10023
+01 212 421-5333

Selling Agent:

Related Residential Sales LLC
60 Columbus Circle
New York, New York 10023

Date of Acceptance for Filing: August 15, 2001

The term of the initial offering of this Plan commenced on August 15, 2001
and expires on August 14, 2002, unless said date is extended in a duly filed amendment.

SEE PAGE (vi) FOR SPECIAL RISKS TO PURCHASERS.

THIS OFFERING PLAN IS THE ENTIRE OFFER OF SPONSOR TO SELL THESE
CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR TO
DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS
PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO
SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING
WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT
OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

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**SOUTH TOWER ("ST") RESIDENTIAL BY-LAWS
OF
AOL TIME WARNER CENTER CONDOMINIUM**

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these Residential By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the ST Residential Section (the "Section") at AOL Time Warner Center Condominium (the "Condominium"); the By-Laws of the Condominium (the "Condominium By-Laws") detail the rules and procedures concerning the conduct of the affairs of the Condominium. The Section and these Residential By-Laws shall be subject to the provisions of the Declaration and the Condominium By-Laws; and, as provided therein, the rights of the ST Residential Unit Owners with respect to the Condominium, the Condominium Board, the Non-Residential Unit Owners, the North Tower Residential Board and the North Tower Residential Unit Owners shall generally only be enforced by the ST Residential Board on behalf of the ST Residential Unit Owners. The Section is comprised of 168 ST Residential Units and the ST Residential Limited Common Elements. All terms used herein (including, without limitation, those in the previous sentence) which are not separately defined herein, shall have the meanings given to those terms in the Condominium By-Laws or the Declaration. Annexed to the Condominium By-Laws as Exhibit 1 is a Table of Definitions used in the Declaration and Condominium By-Laws and such Table is incorporated herein by reference and made a part hereof.

1.2 Applicability of By-Laws. These Residential By-Laws are applicable to the Section and to the use and occupancy thereof. All present and future ST Residential Unit Owners, mortgagees, lessees, sublessees and occupants of ST Residential Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part of, the Section, are and shall be subject to these Residential By-Laws, the ST Residential Rules and Regulations, the Declaration, the Condominium By-Laws, the General Rules and Regulations (if any) and the Restrictions Instrument. The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease, sublease or license for, or the act of occupancy of, all or any portion of an ST Residential Unit shall constitute an agreement that the provisions of these Residential By-Laws, the ST Residential Rules and Regulations, the Declaration, the Condominium By-Laws, the General Rules and Regulations (if any) and the Restrictions Instrument, as any of the same may be amended from time to time, are accepted, ratified and will be complied with.

1.3 Principal Office of the Section. The principal office of the Section shall be located either within the Section or at such other place in the Borough of Manhattan as may be designated from time to time by the ST Residential Board.

ARTICLE 2

THE ST RESIDENTIAL BOARD

2.1 General Description of the ST Residential Board.

2.1.1 (a) As more particularly set forth in Section 2.2, the affairs of the Section shall be governed by a board of managers of the Section (the "ST Residential Board" and, sometimes herein, the "Board").

(b) In addition, the ST Residential Board shall also designate one (1) of its members to act as the representative of the Section on the Condominium Board. In the absence of or until such a designation, the President of the Section shall act as such representative of the Section. The ST Residential Board shall direct such designee as to the actions he or she may take as the Section's representative on the Condominium Board and such designee is authorized only to take such actions as are so directed. As described in the Condominium By-Laws, the representative of the Section on the Condominium Board shall vote on behalf of all ST Residential Unit Owners the entire Common Interest or Budget Interest, as the case may be, appurtenant to the ST Residential Units.

2.1.2 Except for ST Residential Board members elected or designated by the Initial Residential Grantee, all members of the ST Residential Board shall be: (i) individual ST Residential Unit Owners or Permitted Mortgagees of ST Residential Units; (ii) partners of a partnership owning, or holding a mortgage encumbering, an ST Residential Unit; (iii) officers, directors or shareholders of corporate owners or corporate Permitted Mortgagees of ST Residential Units; (iv) members of a limited liability company owning, or holding a Permitted Mortgage encumbering, an ST Residential Unit; (v) fiduciaries or their beneficiaries who are owners or Permitted Mortgagees of ST Residential Units (or officers, directors or shareholders of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is an ST Residential Unit Owner or a mortgagee of an ST Residential Unit. Other than ST Residential Board members elected or designated by the Initial Residential Grantee, no ST Residential Board member shall continue to serve after he or she ceases to be qualified as set forth above. Notwithstanding anything otherwise contained herein or in the Condominium By-Laws, any member of the ST Residential Board may also be a member of the Condominium Board and any member of the Condominium Board may also be a member of the ST Residential Board, if otherwise qualified.

2.1.3 In no event shall any ST Residential Unit Owner (or its proxy) be eligible for election to the ST Residential Board if such ST Residential Unit Owner is then in default, beyond any applicable grace period, in the payment of ST Residential Common Charges or any other amounts required by the ST Residential Board to be paid. In addition, no member of the ST Residential Board may continue to participate as a member thereof after the ST Residential Board has perfected a lien against its Unit, for so long as such lien remains unsatisfied.

2.2 Powers and Duties of ST Residential Board.

2.2.1 General. The ST Residential Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Section (except such powers and duties which by law, the Declaration, the Condominium By-Laws or these Residential By-Laws may not be delegated to the ST Residential Board by the ST Residential Unit Owners). Subject to the terms of the Restrictions Instrument, the Declaration, the Condominium By-Laws and these Residential By-Laws, all determinations, however, which affect only the Section, and do not affect (to more than a de minimis extent) the NT Residential Section, the General Common Elements, any Non-Residential Unit or the Limited Common Elements appurtenant thereto, for their permitted purposes, shall be made by the ST Residential Board. Except to the extent by law or in the Declaration, the Condominium By-Laws, these Residential By-Laws or the North Tower Residential By-Laws provided, all other determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

2.2.2 ST Residential Board. Subject to, and in accordance with, the provisions of subsection 2.2.1 and without limiting the generality thereof, the ST Residential Board shall be entitled to make determinations with respect to all matters relating to the operation and the affairs of the Section, including, without limitation, the following:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition and improvement to, and alteration and replacement of, the Section, in the condition and otherwise in such manner that Project Standards of quality, service and appearance are maintained.

(b) The amount of ST Residential Common Charges.

(c) Subject to the provisions of Section 6.1.1(h)(iii) of the Condominium By-Laws with respect to the Unsold ST Residential Units, collection of ST Residential Common Charges from ST Residential Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Section and the provision of the services offered.

(e) Adoption of, and amendments and additions to, the ST Residential Rules and Regulations.

(f) Purchasing, leasing and otherwise acquiring in the name of the ST Residential Board (or, if required by law, in the name of the Condominium Board as nominee for the ST Residential Board), or its designee, corporate or otherwise, on behalf of all ST Residential Unit Owners, those ST Residential Units offered for sale or lease by, or ST Residential Units surrendered by, the owners of such Units to the ST Residential Board, or those ST Residential Units with respect to which liens for real estate taxes are being sold by the City of New York, or an ST Residential Unit or other residence for use by the Resident Building Manager of the ST Residential Section.

(g) Purchasing ST Residential Units at foreclosure or other similar sales (including, without limitation, in connection with the enforcement of the ST Residential Board's lien for unpaid Residential Common Charges), in the name of the ST Residential Board (or, if required by law, in the name of the Condominium Board as nominee for the ST Residential Board), or its designee, on behalf of all ST Residential Unit Owners.

(h) Selling, leasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) ST Residential Units acquired by, and subleasing ST Residential Units leased by, the ST Residential Board or its designee, on behalf of all ST Residential Unit Owners.

(i) Making repairs, restorations, additions and improvements to, and alterations and replacements of, the ST Residential Limited Common Elements.

(j) Making repairs, restorations, additions and improvements to, and alterations and replacements of, the Section or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these Residential By-Laws and the Condominium By-Laws.

(k) Enforcing obligations of ST Residential Unit Owners, Non-Residential Unit Owners, the NT Residential Board (including, without limitation, the NT Residential Board's obligation to take action against an NT Residential Unit Owner who is in default under the NT Residential By-Laws) and the Condominium Board (including, without limitation, the Condominium Board's obligation to take action against a Non-Residential Unit Owner who is in default under the Condominium By-Laws), including, without limitation, commencing, prosecuting and settling litigation in connection therewith.

(l) Levying fines against ST Residential Unit Owners for violations of the ST Residential Rules and Regulations and the General Rules and Regulations (if any) (any such fines shall constitute ST Residential Common Charges payable by the ST Residential Unit Owner against whom they are levied).

(m) Maintaining bank accounts on behalf of the Section (with respect to matters within its jurisdiction as provided in these Residential By-Laws) and designating the signatories required therefor.

(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only the Section, in accordance with Article 6 hereof.

(o) Borrowing money on behalf of the Section when required in connection with: (x) the operation, care, upkeep and maintenance of, or the making of repairs, restorations, additions or improvements to, or alterations or replacements of, the ST Residential Limited Common Elements, or (y) any permitted action or activity of the ST Residential Board, provided, however, that: (i) except as provided in Section 8.6, in the case of borrowings which are in excess of the aggregate amount of \$1,000,000, but less than or equal to \$2,000,000 (excluding the pro-rata share of the Section with respect to any borrowing made by the Condominium Board pursuant to the Condominium By-Laws) in any one fiscal year (regardless of the balance of any loans outstanding from previous years), the consent of at least 60% of the members of the ST Residential Board shall be required for any borrowings for such purposes; (ii) except as provided in Section 8.6, in the case of borrowings which are in excess of the aggregate amount of \$2,000,000 (excluding the pro-rata share of the Section with respect to any borrowing made by the Condominium Board pursuant to the Condominium By-Laws) in any one fiscal year (regardless of the balance of any loans outstanding from previous years), the consent of at least 60% of the total authorized votes of all ST Residential Unit Owners (determined in accordance with the provisions of Section 3.8) who are present, in person or by proxy, and voting at a duly constituted meeting at which a quorum is present or is not required, shall be required for any borrowings for such purposes; (iii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit; and (iv) no Non-Residential Unit Owner or North Tower Residential Unit Owner or the North Tower Residential Board will be liable for repayment of any portion of any such borrowing and all loan documentation entered into by or on behalf of the ST Residential Board shall specifically so provide. Nothing herein in this subsection 2.2.2(o) contained shall limit or modify the right of the Condominium Board to borrow money pursuant to the provisions of the Condominium By-Laws. If any sum borrowed by the ST Residential Board pursuant to the authority contained in this subsection 2.2.2(o) is not repaid by the ST Residential Board, an ST Residential Unit Owner who pays to the creditor such proportion thereof as its interest in the Common Elements bears to the interest of all ST Residential Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such ST Residential Unit Owner's Unit, and all loan documentation entered into by or on behalf of the ST Residential Board shall specifically so provide. The dollar amounts set forth in clauses (i) and (ii) of this subsection 2.2.2(o) shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor.

(p) Organizing corporations, limited liability companies and/or other entities to act as designees of the ST Residential Board with respect to such matters as the ST Residential Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, ST Residential Units acquired or leased by the ST Residential Board on behalf of the ST Residential Unit Owners.

(q) Execution, acknowledgment and delivery of, without limitation: (i) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting the Section which the ST Residential Board deems necessary or appropriate to comply with the Legal Requirements applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Section; or (ii) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting (x) the Section, which the ST Residential Board deems necessary or appropriate, or (y) an ST Residential Unit, if the owner of such ST Residential Unit requests, or under the Declaration, the Condominium By-Laws or

these Residential By-Laws is required to request, that the ST Residential Board take such action, and (except as otherwise provided in the Declaration, the Condominium By-Laws or these Residential By-Laws) the ST Residential Board determines that taking such action is appropriate.

(r) Execution, acknowledgement and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to any or all of the ST Residential Units on behalf of and as agent for the respective ST Residential Unit Owners thereof; but only with respect to such ST Residential Units as to which the respective Unit Owners thereof have, in writing requested and authorized the ST Residential Board to do so, and indemnified the ST Residential Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings.

(s) Commencing, prosecuting and settling litigation.

(t) Operating, maintaining and supervising the ST Residential Limited Common Elements (and any Exclusive Use General Common Elements benefiting the ST Residential Section as a whole) in accordance with the terms of these Residential By-Laws and the Condominium By-Laws.

(u) Imposition of move-in fees and charges, and transfer fees, in connection with the sale or lease of an ST Residential Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon Declarant or the Initial Residential Grantee.

(v) Establishing, changing and otherwise making determinations with respect to reserves, including, without limitation, a general operating reserve or a reserve for working capital or for replacements with respect to the ST Residential Limited Common Elements.

(w) Leasing or purchasing an apartment for use as the residence of the shared or exclusive superintendent of the Section or its/their resident managers, if any, either in the Building or elsewhere (in compliance with applicable Legal Requirements) and amending, modifying, extending, renewing and otherwise dealing in any way with the documentation regarding any such apartment; provided that, in no event shall any of the Non-Residential Unit Owners, the NT Residential Board, NT Residential Unit Owners or the Condominium Board incur any expense or liability in respect of the foregoing without their prior written consent.

2.2.3 Limitations on ST Residential Board. Notwithstanding anything to the contrary contained in these Residential By-Laws (including, without limitation in subsection 2.2.2 above), for a period (the "Initial ST Control Period") which shall end upon the later to occur of: (a) the fifth anniversary of the first closing of title to an ST Residential Unit other than any such Unit located on Floors PH76, PH77, PH78, PH79 AND PH80 of the South Tower of the Building (the "First ST Residential Closing") by the Initial Residential Grantee, as Sponsor, pursuant to an Agreement (as the terms "Sponsor" and "Agreement" are defined in that certain Offering Plan, dated as of August 15, 2001, for the sale of ST Residential Units at the Condominium (the "Offering Plan")), or (b) the closing of title to ST Residential Units representing at least 75%, both in number and in aggregate Common Interests, of all ST Residential Units, the ST Residential Board may not, without the prior written consent of the Initial Residential Grantee: (i) make any addition, alteration or improvement to the ST Residential Limited Common Elements or any ST Residential Unit (unless required by the Restrictions Instrument or any applicable Legal Requirements); (ii) assess any ST Residential Common Charges for the creation of, addition to or replacement of, all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Section, as provided for in Schedule B-1 "Projected Budget for First Year of ST Residential Section Operation" set forth in the Offering Plan; (iv) enter into any service or maintenance contract for work for the Section not covered in said Schedule B-1, or otherwise provide services for the Section in excess of those contemplated by such Schedule or

the Offering Plan (however, in no event shall the foregoing cause the services reflected in Schedule B-1 to be materially reduced except with the consent of a majority in interest of all ST Residential Unit Owners other than the Initial Residential Grantee); (v) borrow money on behalf of the Section (unless such borrowing is approved by the owners of ST Residential Units representing at least 75%, both in number and aggregate Common Interests, of all ST Residential Units); or (vi) exercise a right of first refusal to lease or purchase an ST Residential Unit. However, the ST Residential Board may take any of the actions enumerated in subsections (i) through (v) above without the consent of the Initial Residential Grantee if, and only if, such action is required either to comply with the Restrictions Instrument or any Legal Requirements applicable to the Section, or to remedy any notice of violation entered against the Section or to comply with any proper work order by an insurer of the Section (as part of the Building).

2.2.4 (a) Any action required or permitted to be taken pursuant to the provisions of these Residential By-Laws or the Declaration by the ST Residential Board shall be done or performed by the ST Residential Board, or shall be done on behalf of the ST Residential Board and at its direction by the agents, employees or designees of the ST Residential Board, and the ST Residential Board may employ one or more managing agents and/or managers, at a compensation established by the ST Residential Board, to perform such duties and services as the ST Residential Board shall authorize, including, but not limited to, the duties listed in 2.2.2(a), (c), (d), (i), (j), (m) and (u). The ST Residential Board may delegate to such managing agent or manager other powers granted to the ST Residential Board by these Residential By-Laws, except the powers set forth in subparagraphs 2.2.2(b), (e), (f), (g), (h), (k), (l), (n) through (t) and (w).

(b) Subject to the limitations set forth in this subsection 2.2.4, the ST Residential Board may, together with any or all of the NT Residential Board, each Non-Residential Unit Owner and the Condominium Board employ the same managing agent and/or manager to act on behalf of each.

2.2.5 For convenience of operation of the Condominium, the ST Residential Board, the NT Residential Board and the Condominium Board may each designate one of the other entities enumerated, to act as its agent with respect to any matter the determination of which is entitled to be made by such designating party and, in connection with such designation, may execute, acknowledge and deliver any application, instrument or document, including, without limitation, any power of attorney or indemnification from liability that such designated party may request.

2.2.6 Any action required or permitted to be taken pursuant to the provisions of these Residential By-Laws, the Condominium By-Laws or the Declaration by the ST Residential Board may, if required by any applicable Legal Requirements, be taken by the ST Residential Board (upon prior written notice to the Condominium Board in accordance with the Condominium By-Laws) in the name of the Condominium Board which shall, upon request, execute, acknowledge and deliver any and all instruments, documents or applications in connection therewith; provided, however, that the ST Residential Board shall, subject to the provisions of Section 2.14, indemnify and hold harmless the Condominium Board, the North Tower Residential Unit Owners and the Non-Residential Unit Owners from any expense or liability thereof or therefrom.

2.3 Number and Terms of Office of Members of ST Residential Board.

2.3.1 (a) Until the First Annual ST Meeting held by the ST Residential Unit Owners pursuant to the terms of Section 3.1 hereof, the ST Residential Board (the "First ST Residential Board") shall consist of three (3) persons designated by the Initial Residential Grantee from time to time. Prior to the First Annual ST Meeting, the terms of each such member of the First ST Residential Board shall expire annually and, subject to the other provisions of this Section, the Initial Residential Grantee shall have the right to designate the replacement for each such member, even though such replacement may be the same person. In accordance with, and within the time periods set forth in, the provisions of Section 3.1, the First ST Residential Board shall cause the President of the Section to call the First Annual

ST Meeting. The term of office of the three (3) members of the First ST Residential Board so designated by the Initial Residential Grantee prior to the First Annual ST Meeting shall expire when the five (5) persons to be elected at the First Annual ST Meeting are so elected and qualified.

(b) From and after the holding of the First Annual ST Meeting, the ST Residential Board shall consist of five (5) persons. For so long as the Initial Residential Grantee is entitled to designate one (1) member of the ST Residential Board, as provided for in subsection 2.4.3 hereof, the ST Residential Board may not be expanded beyond five (5) members without the prior consent thereto of the Initial Residential Grantee; notwithstanding anything otherwise herein contained, this provision may not be amended or modified without the consent thereto of the Initial Residential Grantee.

(c) The term of office of each of the five (5) members comprising the ST Residential Board elected at the First Annual ST Meeting pursuant to Section 3.1 shall be fixed at such meeting as follows: (a) two (2) of such members will serve for a term of approximately three (3) years; (b) two (2) of such members will serve for a term of approximately two (2) years; and (c) one (1) of such members will serve for a term of approximately one (1) year. Those members of the first five (5)-member ST Residential Board who receive the highest number of votes will serve for the longest terms of office but, except as set forth in subsection 2.4.4 hereof, any members elected or designated by the Initial Residential Grantee pursuant to the terms of subsection 2.4.3 hereof, as the owner of Unsold ST Residential Units, shall serve for the shortest terms of office. At each annual meeting of ST Residential Unit Owners subsequent to the First Annual ST Meeting, the ST Residential Unit Owners shall elect, pursuant to the terms of Section 2.4 hereof, ST Residential Board members to replace the ST Residential Board members whose terms of office are then expiring, each to serve a term of office fixed at three years. Notwithstanding the expiration of the term of office of a member of the ST Residential Board or anything contained herein to the contrary, such member of the ST Residential Board (including any member of such Board designated by the Initial Residential Grantee) shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that an ST Residential Board member (including any member of the ST Residential Board designated by the Initial Residential Grantee) may serve.

2.4 Election of ST Residential Board Members; Rights of Initial Residential Grantee.

2.4.1 Subject to the terms of subsections 2.4.3 and 2.4.4, all members of the ST Residential Board to be elected by the ST Residential Unit Owners shall be determined by plurality of the votes cast by those ST Residential Unit Owners (including the Initial Residential Grantee, and subject in all events to the rights of the Initial Residential Grantee under subsection 2.4.3 for so long as the Initial Residential Grantee shall own at least two (2) ST Residential Units) entitled to vote for such board member(s) who are present (in person or by proxy) and voting at a meeting at which a quorum of all ST Residential Unit Owners is present or not required.

2.4.2 When voting for members of the ST Residential Board, the voting shall be by ballot and each ballot shall state the name of the ST Residential Unit Owner voting, the ST Residential Unit owned by such ST Residential Unit Owner and the percentage of Common Interest attributable to each ST Residential Unit owned by such ST Residential Unit Owner and, in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these Residential By-Laws shall be deemed to permit cumulative voting.

2.4.3 Notwithstanding any other provision of this Section 2.4 or of these Residential By-Laws or otherwise, to the contrary, at the First Annual ST Meeting and at all times before and thereafter, the Initial Residential Grantee shall be able to vote in accordance with its ownership of ST Residential Units and thus may be able to elect members of the ST Residential Board by virtue of its ownership of ST Residential Units. In addition: (a) at elections of members to the ST Residential Board held before the expiration of the Initial ST Control Period (and until such later time as the events described in clauses (b) and (c) below occur), (i) the Initial Residential Grantee will have the right to

designate not more than three (3) of the five (5) members of the ST Residential Board, and (ii) the Initial Residential Grantee, its designee, and all other ST Residential Unit Owners shall have the right to elect the remaining members of the ST Residential Board; (b) after the expiration of the Initial ST Control Period but during the period in which the Initial Residential Grantee owns ST Residential Units representing at least 15%, but less than 25%, both in number and of the Common Interests of all of the ST Residential Units, (i) the Initial Residential Grantee shall have the right to designate not more than two (2) of the five (5) members of the ST Residential Board, and (ii) the Initial Residential Grantee, its designee and all other ST Residential Unit Owners shall have the right to elect the remaining members of the ST Residential Board; and (c) after the expiration of the Initial ST Control Period but during the period in which the Initial Residential Grantee owns ST Residential Units representing less than 15% in both number and Common Interests of all of the ST Residential Units but at least two (2) ST Residential Units, (i) the Initial Residential Grantee shall have the right to designate not more than one (1) of the five (5) members of the ST Residential Board, and (ii) the Initial Residential Grantee, its designee and all other ST Residential Unit Owners shall have the right to elect the remaining members of the ST Residential Board. Accordingly, from and after the expiration of the Initial ST Control Period, at least three (3) of the members of the ST Residential Board shall not be designated by the Initial Residential Grantee or its designee. There is no restriction on the right of the Unsold ST Residential Unit Owners (including the Initial Residential Grantee) to vote for members of the ST Residential Board who are not related to or affiliated with the Initial Residential Grantee or other Unsold ST Residential Unit Owners; however, after the expiration of the Initial ST Control Period, the Initial Residential Grantee will not appoint a majority of members to the ST Residential Board at the annual meeting of ST Residential Unit Owners.

2.4.4 In the event that after notice of an annual meeting of ST Residential Unit Owners is given to ST Residential Unit Owners in the manner prescribed by Section 3.4 of these Residential By-Laws, the ST Residential Unit Owners present in person or by proxy at such annual meeting constitute less than a quorum, and consequently new members of the ST Residential Board to replace those whose terms expire as of such annual meeting cannot be elected, the remaining members of the ST Residential Board shall fill any resulting vacancies at a special meeting of the ST Residential Board held for that purpose promptly thereafter, even though the members of the ST Residential Board present at such meeting may themselves constitute less than a quorum. The ST Residential Board shall request the ST Residential Unit Owners present (in person or by proxy) at the annual meeting to express their preferences for the ST Residential Board members to have been elected at such annual meeting, but such expression of preferences shall be non-binding on the ST Residential Board. Any person so elected by the ST Residential Board shall be a member of the ST Residential Board until the next annual meeting of ST Residential Unit Owners, when a successor shall be elected for the remainder of the term.

2.5 Resignation and Removal.

2.5.1 Any member of the ST Residential Board may resign at any time by written notice given in accordance with the terms of Section 5.1 of these Residential By-Laws to the President or Secretary of the Section and, with respect to members of the ST Residential Board designated as such or elected by the Initial Residential Grantee, by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested by the resigning member, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2 Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any ST Residential Board member elected thereto by the ST Residential Unit Owners or by the ST Residential Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of ST Residential Unit Owners. Any ST Residential Board member who was designated or elected as such by the Initial Residential Grantee may be removed from office: (i) for cause, by a Majority of ST Residential Unit Owners; and (ii) without cause, only by the Initial Residential Grantee. In the event of any removal described in the previous sentence, whether with or without cause, the Initial Residential Grantee shall have the sole right to designate the replacement of such member. Any ST Residential Board member whose removal for cause

has been proposed shall be given an opportunity to be heard at the meeting of ST Residential Unit Owners at which such removal is to be considered.

2.6 Vacancies on ST Residential Board. Subject to the provisions of Sections 2.3 and 2.4, any vacancy on the ST Residential Board for whatever reason shall be filled by the members of the ST Residential Board then in office, at a special meeting of the ST Residential Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the ST Residential Board until the next annual meeting of ST Residential Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the ST Residential Board created by the resignation, removal or any other reason of any ST Residential Board member designated or elected as such by the Initial Residential Grantee shall be filled only by the Initial Residential Grantee.

2.7 Organizational Meeting of ST Residential Board. The first meeting of the ST Residential Board following each annual meeting of ST Residential Unit Owners shall be held within twenty (20) days after such annual meeting at such time and place in the Borough of Manhattan as shall be fixed by a majority of the members thereof, and no notice shall be necessary to the ST Residential Board members in order to legally constitute such meeting, provided that a majority of the members of the ST Residential Board shall be present thereat.

2.8 Regular Meetings of ST Residential Board. Regular meetings of the ST Residential Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four (4) such meetings shall be held during each fiscal year of the Section. Notice of regular meetings shall be given to each member thereof, by personal delivery, nationally recognized overnight courier or telecopy, at least five (5) business days prior to the day named for such meeting.

2.9 Special Meetings of ST Residential Board. Special meetings of the ST Residential Board may be called by the President or Vice President of the Section by giving at least five (5) business days' prior notice to each member of the ST Residential Board, by personal delivery, nationally recognized overnight courier or telecopy, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of three (3) or more members of the ST Residential Board.

2.10 Resolutions of ST Residential Board. The ST Residential Board shall cause to be delivered promptly to the Condominium Board and the North Tower Residential Board copies of all resolutions adopted by it, except to the extent: (a) of matters privileged under applicable law; (b) relating to the terms of the sale, lease or subleasing of any ST Residential Unit, other than the nature of the use thereof and such materials as are necessary to evidence that such sale, lease or sublease complies with these Residential By-Laws, the Restrictions Instrument and the Development Agreements; and (c) relating to matters not related to the Property.

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

2.12 Determinations by ST Residential Board; Quorums.

2.12.1 Except as otherwise set forth in subsections 2.4.4, 2.6 and 2.12.3, all determinations of the ST Residential Board shall be made at a meeting of the ST Residential Board at

which a quorum thereof is present. At any ST Residential Board meeting, a majority of the members thereof shall constitute a quorum, except as may otherwise be provided herein, and the votes of a majority of such members present shall constitute the decision of the ST Residential Board.

2.12.2 If at any ST Residential Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum exists or may reconvene the meeting to a time (specified on at least three (3) business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent members) when no quorum requirement shall apply. At any such adjourned meeting at which a quorum is present or is not required, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.12.3 Members of the ST Residential Board may participate in a meeting thereof by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other, and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the ST Residential Board may be taken without a meeting if all members of the ST Residential Board consent thereto in writing.

2.13 Compensation. No member the ST Residential Board shall receive any compensation for acting as such.

2.14 Liability of ST Residential Board and Unit Owners.

2.14.1 To the extent permitted by applicable law, no member of the ST Residential Board shall have any personal liability with respect to any contract, act or omission of the ST Residential Board or of any managing agent or manager, building engineer or superintendent in connection with the affairs or operation of the Condominium or the Section (except in its or their capacities as Unit Owners) and the liability of any ST Residential Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the ST Residential Board or by any managing agent or manager thereof shall state that it is made by the ST Residential Board or the managing agent or manager only as agent for all ST Residential Unit Owners, and that the ST Residential Board members or managing agent or manager shall have no personal liability thereon (except in its or their capacities as Unit Owners) and may also state the applicable limitations of liability of the ST Residential Unit Owners provided for in the next sentence; the absence of such statement or statements in any such contract shall not be deemed to imply any personal liability on the part of the ST Residential Board, the managing agent or manager or any greater liability on the part of any ST Residential Unit Owner than as provided in the next sentence. The liability of any ST Residential Unit Owner for any contract, act or omission with respect to the Condominium shall be limited to such Unit Owner's share of the total liability of the Section with respect thereto (determined in accordance with the allocations of Common Expenses set forth in Schedule B annexed to the Condominium By-Laws, or as otherwise provided therein) in such proportion as the Common Interest of such ST Residential Unit Owner bears to the aggregate Common Interests of all ST Residential Unit Owners; and the liability of any ST Residential Unit Owner for any contract, act or omission with respect to the Section shall be limited to such proportionate share of the total liability as the Common Interest of such ST Residential Unit Owner bears to the aggregate Common Interests of all ST Residential Unit Owners; and in each case, to the extent permitted by applicable law, shall be limited to such South Tower Unit Owner's interest in its Unit and its appurtenant Common Interest, so that such ST Residential Unit Owner shall have no personal liability for any such contract, act or omission.

2.14.2 Nothing in the preceding sentence shall limit an ST Residential Unit Owner's liability for the payment of ST Residential Common Charges. To the extent permitted by applicable law, ST Residential Board members shall have no liability to ST Residential Unit Owners except that a Board member shall be liable for its or his or her own bad faith or willful misconduct. All ST Residential Unit Owners shall, to the extent of their respective interests in their Units and their appurtenant Common

Interests, indemnify each ST Residential Board member against any liability or claim except those arising out of such ST Residential Board member's own bad faith or willful misconduct. The ST Residential Board may contract or effect any other transaction with any member of the ST Residential Board, any member of the North Tower Residential Board, any member of the Condominium Board, any Unit Owner, Declarant and/or the Initial Residential Grantee, and/or their respective designees, or any Non-Residential Unit Owner, and/or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.14.3 Neither the ST Residential Board nor any member thereof shall be liable for either: (i) any failure or interruption of any utility or other services to be provided or obtained by, or on behalf of, the ST Residential Board or Condominium Board or to be paid for as either an ST Residential Common Expense or General Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the ST Residential Board or such member thereof, as the case may be; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith or willful misconduct of the ST Residential Board or such member thereof.

2.15 Fidelity Bonds. The ST Residential Board shall obtain fidelity bonds (or similar bonds or insurance), in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds (or insurance) shall constitute ST Residential Common Expenses.

2.16 Committees. The ST Residential Board may, subject to such limitations and exceptions as the ST Residential Board may prescribe, appoint an Executive Committee and such other committees as the ST Residential Board may deem appropriate, each to consist of two or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers of the ST Residential Board during the intervals between the meetings of the Board, insofar as may be permitted by law. For so long as the Initial Residential Grantee is entitled to designate members to the ST Residential Board, any committee appointed by the ST Residential Board shall have as at least one of its members a member appointed by the Initial Residential Grantee.

2.17 Status of Board. In addition to the status conferred upon the ST Residential Board under or pursuant to the provisions of the New York Condominium Act, the ST Residential Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation or organization of the ST Residential Board pursuant to the provisions of Section 2.18, the provisions of this Section 2.17 shall no longer be applicable to the ST Residential Board.

2.18 Incorporation and Organization of ST Residential Board. To the extent and in the manner provided in the New York Condominium Act, the ST Residential Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the ST Residential Board so incorporates or organizes, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the ST Residential Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration, these Residential By-Laws and, to the extent applicable, the Condominium By-Laws, and the provisions of the Declaration, these Residential By-Laws and, to the extent applicable, the Condominium By-Laws, shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws or articles of organization and operating agreement.

2.19 ST Residential Board as Agent of ST Residential Unit Owners. In exercising its powers and performing its duties under the Declaration, these Residential By-Laws and, to the extent applicable, the Condominium By-Laws, the ST Residential Board shall act as, and shall be, the agent of the ST Residential Unit Owners, subject to and in accordance with the provisions of the Declaration, these Residential By-Laws and, to the extent applicable, the Condominium By-Laws.

2.20 Prohibited Transactions. Each member of the ST Residential Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Section. To the extent permitted by applicable law, no contract or other transaction between the ST Residential Board and either: (i) any of its members, or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the ST Residential Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either: (a) any such member of the ST Residential Board was present at the meeting or meetings of the ST Residential Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the ST Residential Board or a majority of the members thereof and noted in the minutes thereof, and the ST Residential Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire ST Residential Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of ST Residential Unit Owners and a majority of ST Residential Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction; and (3) the contract or transaction is commercially reasonable to the ST Residential Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the ST Residential Board may be counted in determining the presence of a quorum of any meeting of the ST Residential Board which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

2.21 Principal Office of ST Residential Board. The principal office of the ST Residential Board shall be located either within the Section or at such other place in the Borough of Manhattan, as may be designated from time to time by the ST Residential Board.

ARTICLE 3

SOUTH TOWER RESIDENTIAL UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of ST Residential Unit Owners (the "First Annual ST Meeting") shall be held on a date not earlier than ten (10) nor later than thirty (30) days after the later to occur of: (i) the second anniversary of the First ST Residential Closing; or (ii) the closing of title by the Initial Residential Grantee, as seller, to ST Residential Units representing at least 50%, both in number and in aggregate Common Interests, of all ST Residential Units to Purchasers (as defined in the Offering Plan). At such meeting a new ST Residential Board shall be elected and/or designated (as provided in Sections 2.3 and 2.4) consisting of five (5) persons and the incumbent ST Residential Board shall resign. Thereafter, annual meetings of ST Residential Unit Owners shall be held within four weeks after the anniversary of such first meeting in each succeeding year on a date to be set by the ST Residential Board. At such meetings, the ST Residential Unit Owners shall elect successors to the members of the ST Residential Board whose terms of office are due to expire on or about the day of such meeting and there shall also be transacted such other business as may properly come before such meeting.

3.2 Place of Meetings. Meetings of ST Residential Unit Owners shall be held at the principal office of the Section or at such other place in the Borough of Manhattan as may be designated from time to time by the ST Residential Board.

3.3 Special Meetings. The President or the Vice President of the Section shall call a special meeting of ST Residential Unit Owners if so directed by resolution of the ST Residential Board or upon a petition signed and presented to the Secretary of the Section by ST Residential Unit Owners owning ST Residential Units representing not less than 15% of the Common Interests of all of the ST Residential Units. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting of ST Residential Unit Owners shall be given by the Secretary of the Section to all ST Residential Unit Owners of record entitled to vote thereat, at their address at the Section (or at such other address as any ST Residential Unit Owner has designated by notice in writing to the Secretary of the Section at least fifteen (15) business days prior to the giving of notice of the applicable meeting). Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail, nationally recognized overnight courier or telecopy, at least ten (10) business days prior to the date fixed for the meeting. However, if the business to be conducted at any meeting of the ST Residential Unit Owners shall include consideration of a proposed amendment to the Declaration, these Residential By-Laws or the Condominium By-Laws, the notice of such meeting shall be given to all ST Residential Unit Owners, in the manner provided above, at least thirty (30) days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Lack of Quorum. Subject to the terms and provisions of subsection 2.4.4, if any meeting of ST Residential Unit Owners cannot be held because a quorum is not present, the ST Residential Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote to either: (a) adjourn the meeting from time to time until a quorum exists; or (b) reconvene the meeting to a time (specified on not less than three (3) business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent ST Residential Unit Owners) when no quorum requirement shall apply.

3.6 Order of Business. The order of business at all regular meetings of ST Residential Unit Owners shall be as follows:

- (a) Call to order.
- (b) Roll call.
- (c) Proof of notice of meeting.
- (d) Reading of minutes of preceding meeting.
- (e) Reports of officers.
- (f) Reports of members of the ST Residential Board.
- (g) Reports of committees.
- (h) Election of inspectors of election (when so required).
- (i) Election of members of the ST Residential Board.
- (j) Unfinished business.
- (k) New business.

3.7 Title to ST Residential Units. Title to ST Residential Units may be taken by any individual, corporation, partnership, limited liability company, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate.

3.8 Voting.

3.8.1 Each ST Residential Unit Owner, or a person designated by such ST Residential Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such ST Residential Unit as set forth herein, in the Condominium By-Laws (to the extent applicable) and in the Declaration at all meetings of ST Residential Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Section and shall be revocable at any time by written notice actually delivered to such Secretary by the ST Residential Unit Owner which had made the designation; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six (6) months (except that the designation of a Permitted Mortgagee to act as the proxy of its mortgagor shall be effective until duly revoked).

3.8.2 A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.3 If two (2) or more persons or entities own an ST Residential Unit, they shall designate one (1) person or entity amongst them to vote the entire Common Interest appurtenant to their Unit in a writing given to the Secretary of the Section, and the vote of such designee shall be binding upon such designors. Failing such a designation, all of such persons or entities shall mutually vote such Common Interest under one ballot, without division, and the concurrence of such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such ST Residential Unit shall be counted solely for determining whether a quorum is present for such voting.

3.8.4 Neither the ST Residential Board nor its designee shall be entitled to vote the interest appurtenant to any ST Residential Unit owned by the ST Residential Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of ST Residential Unit Owners for quorum and voting purposes.

3.8.5 Except as otherwise set forth herein, in the Condominium By-Laws (to the extent applicable) or in the Declaration, at all meetings of ST Residential Unit Owners, each ST Residential Unit Owner (or its proxy) entitled to vote thereat (including, without limitation, the Initial Residential Grantee) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its ST Residential Unit or Units (including, without limitation, for each Board member to be elected).

3.8.6 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is described in terms of the ST Residential Unit Owners, as a group, as opposed to all Unit Owners as a whole, such required percentage shall mean a percentage in terms of the total Common Interests attributable to all ST Residential Unit Owners and not the percentage of Common Interests attributable to all Unit Owners.

3.9 Majority of ST Residential Unit Owners. Except as may otherwise be provided by law, as used in these Residential By-Laws, the Condominium By-Laws (to the extent applicable) and the Declaration, the term "Majority of ST Residential Unit Owners" means those ST Residential Unit Owners having more than 50% of the total authorized votes of all ST Residential Unit Owners (determined in

accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present or is not required.

3.10 Quorum. Except as otherwise provided in these Residential By-Laws, the presence in person or by proxy of ST Residential Unit Owners owning ST Residential Units to which appertain more than 50% of the aggregate Common Interests attributable to all ST Residential Units shall constitute a quorum at all meetings of ST Residential Unit Owners.

3.11 Majority Vote. Except where otherwise provided by law, the Declaration or these Residential By-Laws, at all meetings solely of ST Residential Unit Owners, the affirmative vote of a Majority of ST Residential Unit Owners shall be binding upon all ST Residential Unit Owners for all purposes.

3.12 Representation on Condominium Board. ST Residential Unit Owners shall not be entitled to vote in their individual capacities as Unit Owners at any meeting of the Condominium Board. The entire Common Interest of the ST Residential Unit Owners (or Budget Interest of the ST Residential Section) shall be voted at any such meeting(s) only by the designee of the ST Residential Board thereto in accordance with the terms of Section 2.1 and the provisions of the Condominium By-Laws.

ARTICLE 4

OFFICERS

4.1 Designation. (a) The principal officers of the Section shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the ST Residential Board. The ST Residential Board may elect more than one Vice President, or an Assistant Treasurer or Assistant Secretary and such other officers as in its judgment may be desirable. Nothing herein shall preclude any officer of the Section from also being an officer of the Condominium or any officer of the Condominium from also being an officer of the Section, if otherwise qualified under the terms of these Residential By-Laws and the Condominium By-Laws, as applicable. Unless prohibited by applicable law, any two or more offices of the Section may be held by the same person.

(b) None of the officers of the Section need be ST Residential Unit Owners or have any interest therein or be members of the ST Residential Board; except that, from and after the first organizational meeting of the ST Residential Board after the First Annual ST Meeting, the President and Vice President of the Section must be members of the ST Residential Board.

4.2 Election of Officers. The officers of the Section shall each be elected annually by the ST Residential Board at the organizational meetings thereof and at any other meeting as may be required to fill a vacancy, and shall serve at the pleasure of the ST Residential Board; except that the initial officers of the Section shall be elected by the First ST Residential Board and shall hold office at the pleasure of such First ST Residential Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice given in accordance with the terms of Section 5.1 of these Residential By-Laws to the ST Residential Board; such resignation shall take effect at the time specified and, unless specifically requested by the resigning officer, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the ST Residential Board, present in person or by proxy at a regular meeting of the ST Residential Board, or at a special meeting of the ST Residential Board called for such purpose, at which a quorum is present or is not required pursuant to Section 2.12.2, any officer may be removed, either with or without cause, and his or her successor shall be elected.

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

4.5 Vice President. The Vice President of the Section shall take the place of the President under whom he or she serves and shall perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice President of the Section are unable to act, the ST Residential Board shall appoint some other member of the ST Residential Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the ST Residential Board or by the President.

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

4.7 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Section and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the ST Residential Board (or in the name of the managing agent or manager appointed by the ST Residential Board) in such depositories as may from time to time be designated by such ST Residential Board and shall, in general, perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Section shall be executed by the President or Vice-President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the ST Residential Board. In addition to the foregoing, the ST Residential Board may authorize the managing agent serving on its behalf to execute checks, provided that the expenditures, and the managing agent's paying for same, have been approved in advance by resolution of the ST Residential Board or have been authorized by two officers of the Section.

4.9 Compensation of Officers. Except as otherwise provided by the ST Residential Board, no officer shall receive any compensation for acting as such.

4.10 Liability of Officers.

4.10.1 To the extent permitted by applicable law, no officer of the Section shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Section (except in their capacities as ST Residential Unit Owners). To the extent permitted by applicable law, officers shall have no liability to ST Residential Unit Owners, except that an officer shall be liable for his or her own bad faith or willful misconduct. All ST Residential Unit Owners shall severally, to the extent of their respective interests in their ST Residential Units and their appurtenant Common Interests, indemnify each officer of the Section against any liability or claim except those arising out of such officer's own bad faith or willful misconduct.

4.10.2 None of the officers of the Section shall be liable for either: (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be

paid for as either an ST Residential Common Expense or General Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such officer; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith or willful misconduct of such officer.

ARTICLE 5

NOTICES

Notices. Except as otherwise provided in these Residential By-Laws, all requests, notices, reports, demands, approvals and other communications required or desired to be given shall be in writing and shall be delivered: (a) if to the ST Residential Board, in person or sent to the principal office of the ST Residential Board (or to such other address as the ST Residential Board may designate from time to time); and a duplicate shall be sent in like manner to the managing agent of the Section, if any; (b) if to an ST Residential Unit Owner, in person or sent to the address of such Residential Unit Owner at the Building, or to such other address as may have been designated by such Residential Unit Owner from time to time in writing to the ST Residential Board; (c) if to any other Person, in the manner provided in Article 5 of the Condominium By-Laws. All notices delivered in person (to the extent permitted herein) shall be deemed to have been given when delivered in person. Unless other means of giving certain notices are specifically required or permitted pursuant to the Condominium Documents, all notices which are "sent" shall be sent either: (x) by registered or certified mail, return receipt requested, and shall be deemed to have been given three (3) days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper; or (y) by nationally recognized overnight courier service and shall be deemed to have been given the first Business Day (for domestic delivery) and the third Business Day (for international delivery), after deposit with an overnight courier service, provided that notices of change of address shall in all events be deemed to have been given when received.

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

ARTICLE 6

OPERATION OF THE ST RESIDENTIAL SECTION

6.1 Determination of ST Residential Common Expenses and Fixing of ST Residential Common Charges.

6.1.1 (a) As described in the Condominium By-Laws, the Condominium Board shall from time to time, but at least annually, prepare a budget setting forth the projection of General Common Expenses and will allocate to the Section, in the manner described in the Condominium By-Laws, the General Common Charges necessary to meet the Section's allocated share of General Common Expenses. The ST Residential Board will allocate and assess to each ST Residential Unit Owner, in such proportion as the Common Interest of each such Unit Owner's ST Residential Unit bears to the total aggregate Common Interests of all ST Residential Units, a portion of the General Common Charges allocated to the Section, to be assessed against and paid by each ST Residential Unit Owner as part of the ST Residential Common Charges payable by such ST Residential Unit Owner, as provided in subsection 6.1.2.

(b) The ST Residential Board shall comply with the obligations set forth in Section 6.1.1(k) of the Condominium By-Laws with respect to granting a first priority security interest to the

Condominium Board in the funds collected as ST Residential Common Charges (hereinafter defined) and executing and performing the obligations set forth in the Condominium By-Laws with respect thereto.

6.1.2 (a) Except as otherwise provided herein, all costs and expenses in connection with the repair, maintenance, replacement, restoration, care, upkeep and operation of, and any alteration, addition or improvement to, the ST Residential Limited Common Elements and the business and affairs of the Section (the "ST Residential Common Expenses") shall be determined by the ST Residential Board and shall be borne solely by the ST Residential Unit Owners. ST Residential Common Expenses shall include, without limitation: (i) such amounts as the ST Residential Board may deem proper for the establishment of and/or changes to reserves, including, without limitation, a general operating reserve or a reserve for working capital or for replacements with respect to the ST Residential Limited Common Elements; (ii) such amounts, determined by the ST Residential Board, as may be required for the purchase, lease or sublease by the ST Residential Board or its designee, on behalf of all ST Residential Unit Owners, of an apartment to be used as the residence of the superintendent or resident manager of the Section, if any, or of any ST Residential Unit whose owner has elected to sell, lease, transfer or convey such ST Residential Unit or which is to be sold at a foreclosure or other similar sale; and (iii) all such other items as are provided for in the Declaration, the Condominium By-Laws or these Residential By-Laws to be ST Residential Common Expenses. The ST Residential Board shall from time to time, but at least annually, prepare a budget setting forth the projection of ST Residential Common Expenses and shall allocate and assess to the ST Residential Unit Owners pro rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration, the Condominium By-Laws or these Residential By-Laws), charges to meet (x) the ST Residential Common Expenses, and (y) each ST Residential Unit Owner's share of General Common Charges (such charges together with all such other amounts denominated or payable as ST Residential Common Charges in or under the Declaration, the Condominium By-Laws or these Residential By-Laws being, collectively, the "ST Residential Common Charges"). In addition to basing the portion of ST Residential Common Charges attributable to South Tower Common Expenses on Common Interests, the ST Residential Board may also assess the same in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable, as determined by the ST Residential Board. The ST Residential Board shall advise all ST Residential Unit Owners promptly in writing of the amount of ST Residential Common Charges payable by each of them and shall furnish copies of each annual budget on which such ST Residential Common Charges are based to all ST Residential Unit Owners and, upon written request therefor, to Permitted Mortgagees thereof.

(b) Notwithstanding anything to the contrary contained in this subsection 6.1.2, the costs of repair, maintenance, replacement, restoration, care, upkeep and operation of, and any alteration, addition or improvement to, the ST Residential Limited Common Elements described in subsection 6.6.2(c) shall be paid for in the manner described therein.

6.1.3 The ST Residential Board may, at its sole discretion, from time to time increase or decrease the amount of ST Residential Common Charges, and may modify its prior determination of the ST Residential Common Expenses or, based on a determination of the Condominium Board, of the share of General Common Charges payable by each ST Residential Unit Owner for any fiscal year so as to increase or decrease the amount of ST Residential Common Charges payable for such fiscal year or portion thereof; however, no such revised determination shall have a retroactive effect on the amount of ST Residential Common Charges payable by ST Residential Unit Owners for any period prior to the date of such new determination. However, a prior period's deficit may be included in ST Residential Common Charges for a subsequent period or levied from a special assessment levied against all ST Residential Unit Owners in accordance with subsection 6.1.5.

6.1.4 The failure or delay of the Condominium Board or of the ST Residential Board, as the case may be, to prepare or adopt a budget or to determine the General Common Expenses or the ST Residential Common Expenses, as the case may be, for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any

ST Residential Unit Owner from the obligation to pay ST Residential Common Charges. In the event of such failure by the Condominium Board, the General Common Charges thereafter allocable to the Section until a new determination of General Common Expenses is made shall be computed as set forth in the Condominium By-Laws. In the event of such failure by the ST Residential Board, the ST Residential Common Charges that were computed on the basis of the ST Residential Common Expenses last determined for any fiscal year or portion thereof, together with the Section's current allocated share of General Common Charges, shall continue thereafter to be the ST Residential Common Charges payable by the ST Residential Unit Owners until a new determination of the ST Residential Common Charges can be made.

6.1.5 (a) In addition to the foregoing duty to determine the amount of and to assess ST Residential Common Charges, the ST Residential Board shall have the right to levy special assessments to meet the ST Residential Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.3) and the Section's allocated share of General Common Charges or any special assessment levied by the Condominium Board. The ST Residential Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of ST Residential Common Charges (including, without limitation, perfecting a lien against the defaulting ST Residential Unit).

(b) In the event the Condominium Board levies a special assessment, a portion of which is allocated to the Section, the ST Residential Board shall levy a special assessment (or increase ST Residential Common Charges) to meet the Section's allocated share of any such special assessment levied by the Condominium Board.

6.1.6 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any ST Residential Limited Common Element shall be collected by the ST Residential Board, as agent for and on behalf of the ST Residential Unit Owners, and shall constitute income of the ST Residential Unit Owners, to be applied against ST Residential Common Expenses next arising. Notwithstanding any provision contained in these Residential By-Laws to the contrary, in no event shall any rent, profit or revenue derived from the rental, licensing or use of any space in the Section be deemed to be derived from the rental, licensing or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any ST Residential Limited Common Elements appurtenant to such space.

6.2 Payment of ST Residential Common Charges.

6.2.1 All ST Residential Unit Owners shall be obligated to pay to the ST Residential Board the ST Residential Common Charges assessed by the ST Residential Board pursuant to the provision of Section 6.1, at such time or times as the ST Residential Board determines. Unless otherwise determined by the ST Residential Board, ST Residential Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2 No ST Residential Unit Owner shall be liable for the payment of any part of the ST Residential Common Charges assessed against such ST Residential Unit Owner's Unit subsequent to a sale, transfer or other conveyance by it (made in accordance with these Residential By-Laws) of such Unit, together with its appurtenant Common Interest. Any ST Residential Unit Owner may, subject to the terms and conditions of these Residential By-Laws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the ST Residential Board or its designee, on behalf of all ST Residential Unit Owners, and in such event (except as hereinafter set forth) be exempt from ST Residential Common Charges thereafter accruing, provided that such ST Residential Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid ST Residential Common Charges (provided that no amounts are owing under any such lien). However, in no event may an ST Residential Unit Owner exempt itself from liability for ST Residential Common Charges by waiving use of any of the Common Elements or by abandonment of its ST Residential Unit. A purchaser of an ST Residential Unit shall be liable for the payment of ST Residential Common Charges accrued and unpaid against such Unit

prior to its acquisition thereof, except that, to the extent permitted by law, a Permitted Mortgagee acquiring title to an ST Residential Unit at a foreclosure sale shall not be liable for, and such ST Residential Unit shall not be subject to, a lien for the payment of ST Residential Common Charges assessed against such ST Residential Unit subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title of such ST Residential Unit by such mortgagee; the foregoing is subject to the provisions of the last sentence of subsection 6.3.2 hereof. However, in the event of a foreclosure of an ST Residential Unit by a Permitted Mortgagee (whether by sale, deed in lieu of foreclosure or otherwise) or by the ST Residential Board of its lien on any ST Residential Unit for unpaid ST Residential Common Charges, if the net proceeds of the foreclosure sale actually received (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred by such Permitted Mortgagee in connection therewith) are insufficient to satisfy the defaulting ST Residential Unit Owner's obligations, such ST Residential Unit Owner shall remain liable for the deficit of all unpaid ST Residential Common Charges, as provided in these Residential By-Laws.

6.2.3 (a) Prior to any permissible sale, transfer or other conveyance of an ST Residential Unit, any seller or purchaser of an ST Residential Unit shall be entitled, upon request for same, to a statement from the ST Residential Board, dated as of the date of the closing of title in connection with any such sale, transfer or other conveyance, setting forth the amount of unpaid ST Residential Common Charges accrued against the Unit.

(a) The ST Residential Board shall promptly provide any ST Residential Unit Owner who so requests with a written statement of all unpaid ST Residential Common Charges due to it from such ST Residential Unit Owner.

6.2.4 Notwithstanding the provisions of subsection 6.2.1, any ST Residential Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the ST Residential Board an amount equal to two (2) times the then current annual ST Residential Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any special assessment levied against, or allocable to, such Unit, as security for the faithful observance by such ST Residential Unit Owner of the terms, provisions and conditions of these Residential By-Laws. In the event that such ST Residential Unit Owner defaults in respect of the terms, provisions and conditions of these Residential By-Laws, the ST Residential Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any ST Residential Common Charges or any other sum as to which such ST Residential Unit Owner is in default. If the ST Residential Board applies or retains any part of said security, the ST Residential Unit Owner in questions, within ten (10) days after notice from the ST Residential Board, shall deposit with the ST Residential Board the amount so applied or retained so that such Board has the full amount of said security on hand at all times.

6.3 Default in Payment of ST Residential Common Charges; Lien for Unpaid ST Residential Common Charges; Other Remedies.

6.3.1 The ST Residential Board shall take prompt action to collect any ST Residential Common Charges which remain unpaid for more than thirty (30) days after the due date for payment thereof, including, without limitation, the institution of such actions and the recovery of interest and expenses as provided in this Article 6. Subject to the applicable terms of the Condominium By-Laws, in the event the ST Residential Board, after notice from the Condominium Board, fails to take such action against an ST Residential Unit Owner, then the Condominium Board may do so, in its own name or, if necessary, in the name of the ST Residential Board.

6.3.2 (i) Except to the extent prohibited by law, the ST Residential Board, on behalf of all ST Residential Unit Owners, shall have a lien for ST Residential Common Charges unpaid by any ST Residential Unit Owner, together with interest thereon, on all ST Residential Units owned by

such ST Residential Unit Owner, in proportion to their respective Common Interests. Such lien for ST Residential Common Charges shall be subordinate only to liens for real estate taxes and, to the extent required by applicable law, to prior recorded Permitted Mortgages on such ST Residential Units, which are first mortgages of record. In the event of a change in applicable law which does not mandate that the lien for ST Residential Common Charges be subordinate to the lien for prior recorded Permitted Mortgages which are first mortgages of record, then, to the extent then permitted by applicable law, provided the ST Residential Board determines (in its sole discretion) that such a change in law is and a corresponding change to these Residential By-Laws will be generally acceptable to mortgage lenders, the lien for ST Residential Common Charges shall not be subordinate to the lien of any such Permitted Mortgages thereafter made or to the lien of any such Permitted Mortgages theretofore made to the extent that, after the implementation of such amendment to applicable law, such Permitted Mortgages have been modified, amended or extended so that additional monies are secured thereby.

(ii) Notwithstanding the foregoing provisions of this Article 6, in respect of any Unsold ST Residential Units, the Initial Residential Grantee shall pay directly to the Condominium Board (and not to the ST Residential Board), on behalf of the ST Residential Board, that portion of the ST Residential Common Charges assessed against such Units which consist of the General Common Charges included therein; and, as provided in Article 13 of the Condominium By-Laws, except to the extent prohibited by law, the Condominium Board shall have a lien (the "Condominium Board's Lien") on the Unsold ST Residential Units for the amount of any such General Common Charges (together with interest thereon) unpaid by the Initial Residential Grantee. Such lien(s) shall be subordinate to any lien in favor of the ST Residential Board.

6.3.3 In the event any ST Residential Unit Owner fails to make payment of ST Residential Common Charges when due, such Unit Owner shall be obligated to pay: (a) a "late charge" of \$.04 for each dollar of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid); and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (exclusive of any "late charges" theretofore collected on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees and expenses paid or incurred by the ST Residential Board or by any managing agent in any proceeding brought to collect such unpaid ST Residential Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid ST Residential Common Charges, whether as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof, or in any other manner permitted by law. In addition, if the ST Residential Board shall bring an action to foreclose such lien because of unpaid ST Residential Common Charges, the defaulting ST Residential Unit Owner shall be required to pay a reasonable fee for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges," interest, expenses and fees shall be added to and shall constitute ST Residential Common Charges payable by such ST Residential Unit Owner; and the lien for unpaid ST Residential Common Charges shall also secure the payment of such additional sums. A suit to recover a money judgment for unpaid ST Residential Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges.

6.3.4 In any action brought by the ST Residential Board to foreclose a lien on an ST Residential Unit because of unpaid ST Residential Common Charges, the ST Residential Board, acting on behalf of all ST Residential Unit Owners, shall have the power (but shall not be obligated) to purchase any such ST Residential Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the interests appurtenant thereto). In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting ST Residential Unit Owner's obligations, such ST Residential Unit Owner shall remain liable for the deficit, as provided in these Residential By-Laws.

6.3.5 (a) For the purposes of this subsection 6.3.5, "non-occupying owner" shall mean an ST Residential Unit Owner who or which does not occupy its ST Residential Unit.

(b) If a non-occupying owner rents any ST Residential Unit to a rental tenant and then fails to make payments due for ST Residential Common Charges or any other amounts payable by such ST Residential Unit Owner to the Residential Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such ST Residential Unit within sixty days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (c) of this subsection, all rental payments from the tenant shall be directly payable to the ST Residential Board.

(c) If the Payments for any ST Residential Unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the ST Residential Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the ST Residential Board at the address listed on the notice. Where a majority of the ST Residential Board has been elected by and from among the ST Residential Unit Owners who are in occupancy, the ST Residential Board may elect not to require that rental payments be made payable to the ST Residential Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the ST Residential Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such ST Residential Unit Owner's position at the next scheduled meeting of the ST Residential Board, which must be held within thirty days of the date that such Board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this subsection shall limit any rights of any ST Residential Unit Owner or the ST Residential Board existing under any other law or agreement.

(e) Payment by a rental tenant to the ST Residential Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

6.4 Insurance.

6.4.1 The Condominium By-Laws describe those types of insurance which each of the Condominium Board and the ST Residential Board is required to obtain and maintain. Neither the Condominium Board nor the ST Residential Board is required to obtain or maintain any insurance with respect to any personal property contained in an ST Residential Unit or any liability with respect to occurrences within or about an ST Residential Unit or the Limited Common Elements, if any, appurtenant thereto. Consequently, as specified in Section 12.3 of the Condominium By-Laws, all ST Residential Unit Owners are required to obtain and maintain liability insurance against claims for personal injury, death or property damage occurring in, on or about such ST Residential Unit Owner's Unit or the Common Elements, if any, exclusive to his or her Unit, affording protection of at least \$1,000,000 per occurrence, plus at least \$5,000,000 umbrella liability coverage or in such higher amounts or limits as the ST Residential Board, from time to time, may determine. Subject to the requirements hereinafter and in subsection 6.4.2 set forth, ST Residential Unit Owners shall not be prohibited from carrying other insurance for their own benefit, and the ST Residential Board shall not be prohibited from requesting or seeking to cause the Condominium Board to carry other insurance, or from carrying insurance itself, for the benefit of the Section or ST Residential Unit Owners. To the extent any party is insured, or is required hereunder to be insured, for loss or damage to property, each party will look to its own insurance policies for recovery.

6.4.2 All policies obtained by any ST Residential Unit Owner, or by the ST Residential Board on behalf of the Section or the ST Residential Unit Owners, shall provide that the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of any additional insurance carried by the ST Residential Board or any other Unit Owner and shall contain a waiver of the insurer's right of subrogation against the Condominium Board, the ST Residential Board, the NT Residential Board and any Unit Owner.

6.4.3 If the use of any ST Residential Unit causes an increase in the premium for the insurance which the Condominium Board or the ST Residential Board is required to obtain and maintain as set forth herein or otherwise, then the owner of such ST Residential Unit shall be obligated to pay to the ST Residential Board (which, to the extent appropriate, shall in turn pay any necessary sums to the Condominium Board), as additional ST Residential Common Charges, a sum equal to the amount of such increase attributable to such use.

6.4.4 All insurance policies carried by or on behalf of the ST Residential Board shall provide that adjustment of loss shall be made exclusively by the ST Residential Board if the loss involves only the Section; in all other instances, the provisions of the Condominium By-Laws shall control as to adjustment of loss. The By-Laws of the Condominium shall also control as to those instances in which proceeds shall be payable to an Insurance Trustee.

6.5 Repair or Reconstruction after Fire or Other Casualty.

6.5.1 (a) If any portion of the Property other than solely the Section is damaged or destroyed by fire or other casualty, or if any portion of the Section is damaged or destroyed together with any other portion of the Property, the provisions of the Condominium By-Laws shall control as to control over repair and restoration. In the event that solely the Section (i.e., the ST Residential Units and ST Residential Limited Common Elements) or any part thereof is damaged or destroyed by fire or other casualty (unless, in accordance with the Condominium By-Laws, the Building is not to be repaired), the ST Residential Board will arrange for the prompt repair and restoration of the Section (including each ST Residential Unit, but excluding improvements, betterments, equipment, furniture, furnishings or other personal property in any such Unit) and the ST Residential Board, or Insurance Trustee, as provided in the Condominium By-Laws, shall disburse the proceeds of all applicable insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

(b) If only the Section is damaged or destroyed by fire or other casualty and the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne as an ST Residential Common Expense or profit, respectively, and shared by all ST Residential Unit Owners in proportion to their respective Common Interests. Any surplus allocable to any ST Residential Unit pursuant to this subsection 6.5.1 shall first be lessened by such amounts as may be required to discharge unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of priority of such liens, and the remaining surplus, if any, shall then be paid to the owner of such Unit. If any portion of the Property other than solely the Section is damaged or destroyed by fire or other casualty, or if any portion of the Section is damaged or destroyed together with any other portion of the Property, the provisions of the Condominium By-Laws shall control as to any deficit or surplus in insurance proceeds.

6.6 Maintenance and Repairs.

6.6.1 Except as otherwise provided in the Declaration, the Condominium By-Laws or these Residential By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, and all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air-conditioning units and appliances: (i) in or to any ST Residential Unit (excluding General Common Elements and ST Residential Limited Common Elements, except as otherwise provided in these Residential By-Laws) and the interior side of entrance

doors thereto, shall be made by the owner of such ST Residential Unit at its sole cost and expense; provided that, except in the case of work to be done in Unsold ST Residential Units, the ST Residential Unit Owner of an ST Residential Unit utilizes only such contractors, workers or suppliers as are on the then approved list of the then managing agent of the Section, which list may change from time to time in the sole discretion of such managing agent or the ST Residential Board and, to the extent applicable, complies with the provisions of Section 6.7 hereof; and (ii) in or to the ST Residential Limited Common Elements shall be made by the ST Residential Board and the cost and expense thereof shall be shared by all ST Residential Unit Owners as an ST Residential Common Expense, in proportion to their respective Common Interests.

6.6.2 Notwithstanding the provisions of subsection 6.6.1:

(a) In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof (including, without limitation, any Unit) is necessitated by or attributable to the negligence, misuse, neglect or abuse of: (i) any one or more ST Residential Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, the entire cost thereof shall be borne entirely by such ST Residential Unit Owner(s); (ii) the North Tower Residential Board or its tenants, agents, invitees, licensees or guests, the entire cost thereof shall be charged to all North Tower Residential Unit Owners as a North Tower Residential Common Expense; or (iii) the ST Residential Board or its tenants, agents, invitees, licensees or guests, the entire cost thereof shall be charged to all ST Residential Unit Owners as an ST Residential Common Expense, except to the extent in any case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

(b) The interior and exterior glass surfaces of all windows located in any ST Residential Unit shall not be altered, colored or painted. The exterior glass surfaces of all windows in the Building shall be washed and cleaned at the direction of the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a General Common Expense, on an allocated basis (as shown on Exhibit B to the Condominium By-Laws). Similarly, any replacement of glass windows in any Unit, because of breakage or otherwise, shall be made by the Condominium Board, and charged to the Unit Owners as a General Common Expense, on an allocated basis (as shown on said Exhibit B) (unless such breakage is caused by or attributable to the negligence, misuse, neglect or abuse of one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, in which event such replacement of glass windows shall be made by the Condominium Board, at the expense of such Unit Owner(s)).

(c) All normal maintenance and repairs of any ST Residential Limited Common Element appurtenant to an ST Residential Unit shall be made by the ST Residential Unit Owner having access thereto, at its own cost and expense; any structural or extraordinary repairs or replacements thereto (including leaks) shall be made by the ST Residential Board and the cost and expense thereof shall be charged to all ST Residential Unit Owners as an ST Residential Common Expense, unless due to the negligence, misuse, neglect or abuse of such ST Residential Unit Owner or its tenant, agent, invitee, licensee or guest, in which event such ST Residential Unit Owner shall bear the entire cost thereof, and the same shall, for all purposes hereunder, constitute part of the ST Residential Common Charges payable by such Unit Owner.

(d) No ST Residential Unit Owner may install, inscribe or expose any Signage on or at any window or any other part of the Common Elements.

6.6.3 The ST Residential Limited Common Elements shall be kept in the condition and otherwise in such manner that Project Standards of quality and appearance are maintained by the ST Residential Unit Owner or the ST Residential Board, whichever is responsible for the maintenance thereof, under the Declaration, these Residential By-Laws or the Condominium By-Laws; and such ST Residential Unit Owner or the ST Residential Board shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In

addition, the public areas of the Section and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the ST Residential Board, with respect to such parts of the Building it is required to maintain under the Declaration, these Residential By-Laws or the Condominium By-Laws; and; (b) each ST Residential Unit Owner, with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its ST Residential Unit, as well as those other areas of such Unit and its appurtenant ST Residential Limited Common Elements which are exposed to public view. To promote a consistent appearance of the Building from outside, each ST Residential Unit Owner will be required to install and maintain window treatments having a neutral colored backing on the sides facing the windows in its ST Residential Unit.

6.6.4 In the event of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building or other persons, or required to avoid the suspension of any necessary services in the Building): (a) affecting the Section, Condominium employees and employees of the North Tower Residential Section will assist the Section employees; (b) affecting the North Tower Residential Section, Condominium employees and employees of the Section will assist the North Tower Residential Section employees; and (c) affecting the Condominium, Section employees and employees of the North Tower Residential Section will assist the Condominium employees.

6.6.5 In the event that any ST Residential Unit Owner, within a reasonable time after receipt of written notice from the ST Residential Board, fails or neglects in any way to perform any of its obligations with respect to maintenance, repair or replacement in or to its ST Residential Unit as provided in this Article 6 or of any Common Element for which such ST Residential Unit Owner is responsible under the Declaration, the Condominium By-Laws or these Residential By-Laws, the ST Residential Board may perform or cause to be performed such maintenance, repair or replacement, unless such ST Residential Unit Owner, within ten (10) days after receiving notice of such default by the ST Residential Board (except in the event of an "emergency", as defined in subsection 6.6.4, in which case no notice is required), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences (within such ten (10) day period) and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such maintenance, repair or replacement in or to such ST Residential Unit Owner's Unit or to any such Common Element for which such ST Residential Unit Owner is responsible as aforesaid, together with interest thereon at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such ST Residential Unit Owner to the ST Residential Board and shall, for all purposes hereunder, constitute part of the ST Residential Common Charges payable by such ST Residential Unit Owner.

6.7 Alterations of ST Residential Units.

6.7.1 Except as otherwise provided in the Declaration, the Condominium By-Laws or these Residential By-Laws:

(a) (i) No ST Residential Unit Owner (other than Developer and/or the Initial Residential Grantee) shall make any alteration, addition, improvement or repair in or to its ST Residential Unit which affects the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning systems thereof), without obtaining the prior written consent of the ST Residential Board thereto. Prior to, and as a condition of, the granting of its consent to the making of any such alteration, addition, improvement or repair in or to an ST Residential Unit, the ST Residential Board, at its option, may require the ST Residential Unit Owner to execute an agreement, in form and substance satisfactory to the ST Residential Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made.

(ii) Notwithstanding anything otherwise herein contained to the contrary (whether in clause (i) above or otherwise), no ST Residential Unit Owner shall make, and the ST Residential Board shall not have the authority to consent to, any alteration, addition, improvement or repair to an ST Residential Unit which affects the structural elements or the systems (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning systems) of: (x) the Building without the ST Residential Board's obtaining the prior written consent thereto of the Condominium Board; and/or (y) any Non-Residential Unit or the Limited Common Elements appurtenant thereto without the ST Residential Board's obtaining the prior written consent thereto of the owner of such Non-Residential Unit. In each of the foregoing cases, the ST Residential Unit Owner seeking to perform such work requiring such consent(s) shall be liable for all costs and expenses incurred by the ST Residential Board in obtaining such consent(s).

(b) All repairs which would affect the structure or the systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning systems thereof) and all alterations, additions and improvements (all of the foregoing being, collectively, "Alterations") to any ST Residential Unit shall be made in accordance with plans and specifications, which plans and specifications shall be: (1) subject to review and approval by the ST Residential Board, in the case of Alterations to which the consent of the ST Residential Board is otherwise required under subsection 6.7.1(a); (2) subject to review and approval by the Condominium Board, in the case of Alterations to which the consent of the Condominium Board is otherwise required under Article 8 of the Condominium By-Laws; and/or (3) subject to the approval of the appropriate Non-Residential Unit Owner(s) in the case of Alterations to which the consent of such Non-Residential Unit Owner(s) is otherwise required under Article 8 of the Condominium By-Laws.

6.7.2 All Alterations by an ST Residential Unit Owner shall be performed:

(a) at the ST Residential Unit Owner's sole cost and expense (including, without limitation, the reasonable costs of the North Tower Residential Board, the ST Residential Board, the Condominium Board and/or the Non-Residential Unit Owner(s), as the case may be, incurred in reviewing and approving such ST Residential Unit Owner's submission for approval and in monitoring such ST Residential Unit Owner's compliance with the provisions of this Section 6.7);

(b) only after obtaining such insurance, naming the Condominium Board and the ST Residential Board, and the managing agent(s) thereof, and any affected Non-Residential Unit Owner(s) as additional insureds, as such Boards or such managing agent(s) or such Non-Residential Unit Owner(s) may reasonably require;

(c) in compliance with the Declaration, these Residential By-Laws, the Condominium By-Laws, the General Rules and Regulations, the ST Residential Rules and Regulations, the Restrictions Instrument (to the extent applicable to such ST Residential Unit) and all Legal Requirements (including, without limitation, those regarding licensing of contractors, obtaining of all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations and obtaining of any amendment to the Certificate of Occupancy for such ST Residential Unit, if necessary);

(d) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium, Section, North Tower Residential Section or Non-Residential Units Owners' employees or other contractors or subcontractors employed in the Units or the Building; and

(e) (i) only during such days and hours as may be specified by the ST Residential Board in its reasonable judgment; and (ii) employing such architects, engineers, contractors, subcontractors, suppliers and other laborers who are on the then approved list of the then managing agent

of the Section, as such list may change from time to time, in the sole discretion of the ST Residential Board or its managing agent.

The ST Residential Unit Owner performing, permitting, suffering or causing such Alterations to be performed shall, if required either by the Condominium Board and/or the ST Residential Board, pay the cost of: (x) any necessary amendment of the Declaration and the floor plans of the Condominium, if appropriate, to reflect any such Alterations; (y) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (copies of which shall be delivered to the ST Residential Board (which shall, as appropriate, also cause copies to be delivered to the Condominium Board) promptly after the issuance thereof and prior to the commencement of any Alterations), and obtaining any amendment to the Certificate of Occupancy for such ST Residential Unit, if necessary; and (z) any reasonable architectural, engineering and legal fees incurred by the Condominium Board or the ST Residential Board, as appropriate, in connection with such work. Neither the Condominium Board, the North Tower Residential Board, the ST Residential Board nor any Unit Owner (other than the ST Residential Unit Owner making, permitting, suffering or causing any Alterations to be made in or to its Unit) shall incur any liability, cost or expense either: (1) in connection with the preparation, execution or submission of the applications referred to above; (2) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made, or permitted or caused to be made, by any ST Residential Unit Owner; (3) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (4) arising out of an ST Residential Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, the Condominium By-Laws, these Residential By-Laws, the General Rules and Regulations, the ST Residential Rules and Regulations, the Restrictions Instrument (to the extent applicable to such Unit) and the provisions of any Legal Requirements insofar as the same relates to Alterations. A ST Residential Unit Owner making, or causing, permitting or suffering any tenant or occupant to make, any Alteration shall be deemed to have agreed to indemnify and hold the Condominium Board, the North Tower Residential Board and the ST Residential Board, the managing agents thereof and all other Unit Owners harmless from and against any liability, loss, cost, or expense arising therefrom, and from and against any and all loss, cost, expense (including, but not limited to, attorneys' fees and disbursements), damage, injury or liability, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, any of the foregoing.

6.7.3 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make an Alteration in or to any ST Residential Unit shall, if and to the extent required by law or such department or authority, be executed by the Condominium Board, the ST Residential Board and/or any affected Non-Residential Unit Owner(s), in the case of an Alteration which such party has approved (or for which its approval is not required), provided that the Condominium Board, the ST Residential Board and the Non-Residential Unit Owner(s) shall not incur any liability, cost or expense in connection with or by reason of executing such application.

6.7.4 Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), Declarant, Developer and the Initial Residential Grantee shall each have the right pursuant (and subject) to the terms of the Declaration, without the approval of the ST Residential Board, the Condominium Board or any Non-Residential Unit Owner: (i) to make any alterations, additions, improvements and repairs in or to any Unsold ST Residential Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, those required under the Development Agreements, the Offering Plan, the Subway Maintenance Agreement, any Purchase Agreement or otherwise); and (ii) to subdivide, combine and change the boundary walls of Unsold ST Residential Units. Additionally, an initial purchaser of any Unsold ST Residential Unit shall have the right, without approval of the ST Residential Board, to make any Alterations in or to its ST Residential Unit, provided that the Initial Residential Grantee shall have consented to the same in writing at or prior to the closing of title to such ST Residential Unit (which

consent may be withheld or conditioned in the Initial Residential Grantee's sole discretion) and that such purchaser complies with all of the other requirements of this Section 6.7.

6.7.5 In addition to the requirements set forth above in this Section 6.7, until a permanent Certificate of Occupancy is obtained for the Building, no ST Residential Unit Owner shall make any Alterations in or to its ST Residential Unit without first notifying Developer and the Initial Residential Grantee of the same in writing and complying with the requirements of Developer and the Initial Residential Grantee with respect to the same. Such requirements may include, but need not be limited to, the following:

- (a) such work not include any change that would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Section and/or the Building, or any amendment to, or extension of, the same if theretofore issued;
- (b) such ST Residential Unit Owner post a bond or other similar security that is reasonably acceptable to the Initial Residential Grantee in an amount sufficient (in the Initial Residential Grantee's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with respect to such work and the completion of the same with all governmental authorities having jurisdiction;
- (c) such work not be commenced until such ST Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to the Initial Residential Grantee;
- (d) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;
- (e) Developer and the Initial Residential Grantee and their representatives be given reasonable opportunity, from time to time, to inspect such work as it progresses;
- (f) promptly after the completion of such work, all necessary inspections and approvals of the same be obtained, all necessary notices and/or certifications be filed with the appropriate governmental authorities and Developer and the Initial Residential Grantee each be given a copy of all such inspections, approvals, notices and certifications;
- (g) such ST Residential Unit Owner indemnify and hold Declarant, Developer and the Initial Residential Grantee harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim or liability incurred or suffered by any of them due to any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued) as a result of such work or the failure to timely make all appropriate governmental filings in connection with the same; and
- (h) all contractors shall be duly licensed to the extent required by applicable Legal Requirements and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Declarant, Developer, the Initial Residential Grantee, any other Unit Owner or the Condominium Board, the North Tower Residential Board or the ST Residential Board), such work shall be performed solely by union members.

If any ST Residential Unit Owner commences any such Alterations in violation of the foregoing terms and conditions of this subsection 6.7.5, or fails to comply with the requirements of

Developer and/or the Initial Residential Grantee in connection with the same, Developer and/or the Initial Residential Grantee shall be entitled to cause such work by such ST Residential Unit Owner to be halted, including, without limitation, causing the managing agent to deny access to the Building to such ST Residential Unit Owner's workers and suppliers, until such ST Residential Unit Owner so complies. During the period until such ST Residential Unit Owner is permitted hereunder to resume its work, Developer and/or the Initial Residential Grantee shall have the right to cause to be performed (whether by Declarant, Developer of Declarant, the Initial Residential Grantee or otherwise) any and all work in and to such ST Residential Unit Owner's Unit as shall be necessary, in such party's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such ST Residential Unit Owner. The cost and expense of any such work so performed shall be borne by such ST Residential Unit Owner and shall be paid to Developer and/or the Initial Residential Grantee, as designated by such parties, within fifteen (15) days following written demand therefor.

6.7.6 In the event that a dispute arises between any ST Residential Unit Owner and the Condominium Board, the ST Residential Board or any Non-Residential Unit Owner, as the case may be, regarding any Alteration subject to the approval of either such Board or such Non-Residential Unit Owner (including, without limitation, the determination of whether any work constitutes an Alteration subject to the approval of either such Board or any Non-Residential Unit Owner), or if a dispute arises between an ST Residential Unit Owner and Developer and/or the Initial Residential Grantee in respect of subsection 6.7.5, such dispute shall be submitted to Arbitration, provided that the parties shall cause such Arbitration to proceed in an expedited manner.

6.8 Alterations to ST Residential Limited Common Elements. Except as otherwise provided in the Declaration, the Condominium By-Laws or these Residential By-Laws, all alterations, additions or improvements in or to any ST Residential Limited Common Elements shall be made by the ST Residential Board or by the ST Residential Unit Owner(s) required to maintain and repair such Common Element and the cost thereof shall be charged either to all ST Residential Unit Owners as an ST Residential Common Expense, or to the ST Residential Unit Owner(s) responsible therefor, as the case may be. Whenever the cost of any such alterations, additions or improvements chargeable to the ST Residential Board is capital in nature and would, in the judgment of the Board, exceed \$100,000 in the aggregate in any calendar year, then such proposed alteration, addition or improvement shall not be made unless first approved by a Majority in Interest of the ST Residential Unit Owners required to bear the cost and expense thereof in accordance with the foregoing and by a majority of the ST Residential Mortgagee Representatives; provided that if the aforesaid is in the nature of a non-capital repair or is necessary to comply with Legal Requirements or a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property, such consent shall not be required. In any such event, the ST Residential Board may, in its direction, assess each ST Residential Unit Owner liable therefor for its pro-rata share of the cost of such alterations, additions and improvements, according to its respective Common Interest, as part of the ST Residential Common Charges. Any additions, alterations, or improvements costing the amounts set forth above or less, in the aggregate, in any calendar year may be made by the ST Residential Board without the approval of the ST Residential Unit Owners or the ST Residential Mortgage Representatives. The amounts set forth in this Section 6.8 shall be adjusted to reflect any increase in the CPI Increase Factor.

6.9 Use of ST Residential Units. (a) A ST Residential Unit may be used only as a residence and, subject to compliance with these Residential By-Laws, for a lawful home occupation, as defined in the Zoning Resolution of the City of New York. A ST Residential Unit may only be occupied by: (i) any individual who is an ST Residential Unit Owner or permitted lessee; (ii) any officer, director or shareholder of any corporation which is an ST Residential Unit Owner or permitted lessee; (iii) any partner of any partnership which is an ST Residential Unit Owner or permitted lessee; (iv) any member of any limited liability company which is an ST Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary of any fiduciary which is an ST Residential Unit Owner or permitted lessee;

(vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is an ST Residential Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the ST Residential Unit and is not being designated to use the ST Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic employees and/or non-paying guests of any of the foregoing.

(b) Notwithstanding the foregoing paragraph, but subject to the proviso following clause (vi) therein contained, an ST Residential Unit Owner may permit its guests to use its ST Residential Unit for short-term stays of less than thirty (30) day intervals as long as there is no advertising to the public of availability for the aforesaid short-term stays. For so long as any portion of the Hotel Area is being operated as a hotel, there is no over-all program for such short-term stays operated by or made available to any one or more of the ST Residential Unit Owners, unless such program is provided through, and with the written consent of, the Hotel Unit Owner.

6.10 Use of Suite Units and Storage Units. Any owner or lessee of an ST Residential Unit which is a Suite Unit (or an Affiliate or immediate family member or other permitted Persons described herein) must also at all times be (if the owner of such Suite Unit) the owner, or (if the lessee of such Suite Unit) the lessee or owner, of an NT Residential Unit and/or an ST Residential Unit which is not a Suite Unit or Storage Unit, and any owner or lessee of an ST Residential Units which is a Storage Unit must also at all times be (if the owner of such Storage Unit) the owner, or (if the lessee of such Storage Unit) the lessee or owner, of an ST Residential Unit which is not a Suite Unit or Storage Unit, provided, however that the foregoing restrictions shall not apply: (i) to the Initial Residential Grantee; (ii) to the Condominium Board or the ST Residential Board or either of such Boards' designees; or (iii) to the acquisition of a Suite Unit or Storage Unit pursuant to an action to foreclose a lien arising out of non-payment of real estate taxes or assessments or a mortgage encumbering such Suite Unit or Storage Unit, but, in each of (i), (ii) and (iii) above, shall apply to the subsequent sale or lease of such Suite Unit or Storage Unit by such person or entity acquiring such Unit in such a manner.

6.11 Restrictions Instrument. Notwithstanding anything otherwise contained herein to the contrary, for so long as the Restrictions Instrument shall be in full force and effect, the ST Residential Unit Owners and the ST Residential Units shall be required to comply with same, to the extent applicable, and each ST Residential Unit Owner shall not default thereunder, or cause or permit a default to occur thereunder, by reason of its actions, with respect to the use of the ST Residential Units or any other matter or thing set forth therein, to the extent applicable.

6.12 Use of ST Residential Limited Common Elements.

6.12.1 Except as otherwise provided herein, in the Condominium By-Laws or in the Declaration, ST Residential Limited Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.12.2 In no event shall any ST Residential Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner(s) (including, without limitation, the Non-Residential Unit Owners) or anyone claiming by, through or under any other Unit Owner(s), including, but not limited to, the tenants and occupants of the Non-Residential Units and their respective licensees or invitees.

6.12.3 Notwithstanding the foregoing subsections of this Section:

(a) The owner or owners of any one or more ST Residential Units, which ST Residential Unit or Units are the only ST Residential Unit or Units serviced or benefited by any ST Residential Limited Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such ST Residential Units located on opposite sides of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air-conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable law and subject to the consent of the ST Residential Board (which consent shall not be unreasonably withheld and shall not be required if such ST Residential Unit Owner or Owners shall be Declarant or the Initial Residential Grantee or such Units shall be Unsold ST Residential Units), have the exclusive right to use that portion of the ST Residential Limited Common Elements as if it were a part of such ST Residential Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however that, notwithstanding the provisions of subsection 6.6.1 hereof, such ST Residential Unit Owner or Owners, at their sole cost and expense: (a) shall be responsible for the operation, maintenance and repair of that portion of the ST Residential Limited Common Elements for so long as such ST Residential Unit Owner or Owners exercise such exclusive right of use; and (b) shall restore that portion of the ST Residential Limited Common Elements to its original condition, reasonable wear and tear excepted, after such ST Residential Unit Owner or Owners cease to exercise such exclusive right of use.

(b) Elevator landings which serve fewer than three (3) ST Residential Units may be decorated and/or furnished by the adjoining ST Residential Unit Owners as they desire, but subject to the provisions of these Residential By-Laws (including, without limitation, subsection 6.6.3 and Section 6.7), at their expense, provided that each such ST Residential Unit Owner consents in writing thereto, and the ST Residential Board gives its written consent to such decoration and/or furnishing, which consent of the ST Residential Board may be granted or withheld in such board's sole discretion. After an elevator landing is decorated and/or furnished by the ST Residential Unit Owners serviced by the same, then, notwithstanding the provisions of subsection 6.6.1 hereof, the owners of such ST Residential Units, and not the ST Residential Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and for performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same.

(c) The Initial Residential Grantee or any owner of Unsold ST Residential Units shall have the right, until the tenth anniversary of the First ST Residential Closing, to use portions of the ST Residential Section, without charge, for exhibitions or other promotional functions with respect to a sales program in respect of such Unsold Units or otherwise.

6.13 General Provisions as to Use.

6.13.1 No nuisance shall be allowed in the Section nor shall any use or practices be allowed in the Section which interfere with the peaceful possession or proper use thereof by its occupants. No unlawful use shall be made of the Section or any portion thereof. All Legal Requirements relating to any portion of the Section shall be complied with at the sole expense of whichever of the Unit Owners or the ST Residential Board or the Condominium Board shall have the obligation to maintain or repair such portion. In no event may all or any portion of the Section be used for any pornographic purpose or as an adult book, video or paraphernalia store, peep show or adult entertainment facility.

6.13.2 The ST Residential Board may, in its discretion, grant permission for the use of an ST Residential Unit for a use other than its original intended use, provided such use is permitted by law, does not violate the then existing Certificate of Occupancy for such Unit, the Restrictions Instrument, any Development Agreement, the Declaration, these Residential By-Laws or the Condominium By-Laws, and the ST Residential Unit Owner thereof complies with all applicable Legal Requirements.

6.13.3 Declarant, Developer and/or the Initial Residential Grantee, without the permission of the ST Residential Board, may: (a) use or grant permission for the use of any Unsold ST Residential Unit for any purpose, provided such use is permitted by law, does not violate the then existing Certificate of Occupancy for such ST Residential Unit or the Restrictions Instrument and the user of such ST Residential Unit complies with all applicable Legal Requirements; (b) use any one or more Unsold ST Residential Units as sales and/or leasing offices in connection with the sale or rental of the ST Residential Units or for any other purpose, subject only to compliance with applicable Legal Requirements; and (c) lease Unsold ST Residential Units to any party(ies).

6.14 Right of Access.

6.14.1 Each ST Residential Unit Owner grants a right of access to its ST Residential Unit to the ST Residential Board and the Condominium Board, the managing agents, superintendents and/or any other person authorized by any of the foregoing, for the purposes, among others, of: making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; curing defaults hereunder or under the Declaration, the Condominium By-Laws, the ST Residential Rules and Regulations or the General Rules and Regulations (if any) by such ST Residential Unit Owner or correcting any conditions originating in its ST Residential Unit and having a reasonably likelihood of causing damage to another Unit or all or any part of the Common Elements; performing maintenance, installations, alterations, repairs or replacements to the mechanical or electrical services or other portions of the Common Elements within its ST Residential Unit or elsewhere in the Building; reading, maintaining or replacing utility meters relating to the Common Elements, its ST Residential Unit or any other Unit in the Building; or correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit; provided that (a) requests for entry to any ST Residential Unit are made not less than one (1) day in advance, and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with the use of the ST Residential Units for their permitted purposes. In case of an "emergency", as defined in subsection 6.6.4, such right of entry shall be immediate (and, in addition to the ST Residential Board and the Condominium Board, shall also, only in such case, run in favor of the North Tower Residential Board and the Non-Residential Unit Owners), without advance notice, whether or not the ST Residential Unit Owner or tenant is present.

6.14.2 Each ST Residential Unit Owner grants a right of access to its ST Residential Unit and any ST Residential Limited Common Elements appurtenant thereto, and the ST Residential Board grant rights of access to the ST Residential Limited Common Elements to: (a) Declarant, Developer and the Initial Residential Grantee, and their contractors, subcontractors, agents and employees, for the purpose of complying with and fulfilling each such party's obligations as set forth in the Offering Plan and other documents relating to the construction, development and operation of the Property (including, without limitation, the Restrictions Instrument, the Subway Maintenance Agreement and the Development Agreements), provided that access thereto shall be exercised by such party, with respect to any ST Residential Unit or appurtenant ST Residential Limited Common Element, in such a manner as will not unreasonably interfere with the use of such ST Residential Unit and/or ST Residential Limited Common Element for its or their permitted purposes; and (b) the Non-Residential Unit Owners and their contractors, subcontractors, agents and employees, for the purpose of complying with and fulfilling each such party's obligations under their respective Development Agreements and other documents relating to the construction, development and operation of the Property (including, without limitation, the Restrictions Instrument and the Subway Maintenance Agreement), provided that access thereto shall be exercised by each such party, with respect to any ST Residential Unit or appurtenant ST Residential Limited Common Element, in such a manner as will not unreasonably interfere with the use of such ST Residential Unit and/or ST Residential Limited Common Element for its or their permitted purposes.

6.15 Rules and Regulations. Annexed hereto as Exhibit B and made a part hereof are rules and regulations (the "ST Residential Rules and Regulations") concerning the use of the ST Residential Units, the ST Residential Limited Common Elements. The ST Residential Board may from time to time

modify, amend or add to such ST Residential Rules and Regulations, except that: (x) a Majority of ST Residential Unit Owners may overrule the ST Residential Board with respect to any such modifications, amendments or additions; and (y) no adoption, modification, amendment or addition affecting Declarant or the Initial Residential Grantee or the Unsold ST Residential Units may be made unless agreed to, in writing, by Declarant and the Initial Residential Grantee, or by all the owners of such Unsold ST Residential Units who are affected by such adoption, modification, amendment or addition, as the case may be. Copies of any newly adopted ST Residential Rules and Regulations, or any modifications, amendments or additions thereto shall be furnished by the ST Residential Board to each ST Residential Unit Owner not less than thirty (30) days prior to the effective date thereof.

6.16 Real Estate Taxes, Water Charges and Sewer Rents.

6.16.1 Domestic water and sewer services for the Building shall be supplied by The City of New York or other utility servicing the Property. Except to the extent Non-Residential Unit Owners are billed directly by the City Collector or as otherwise provided in the Condominium By-Laws, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, and allocate a portion thereof to the Section, based on separate submetering of the Section. Sewer usage will not be separately submetered and the cost thereof or rents therefor will be allocated in accordance with the cost of domestic water usage. Each ST Residential Unit Owner's proportionate share of all such water and sewer charges, allocated based on Common Interests, shall be payable to the ST Residential Board as part of ST Residential Common Charges.

6.16.2 Until the Units are separately assessed and billed for real estate tax purposes, the Condominium Board will pay all real estate taxes with respect to the Property to the Department of Finance of The City of New York (or directly to Declarant if Declarant has paid such taxes) and allocate the cost thereof among the Non-Residential Units and the Residential Sections in the manner provided in the Condominium By-Laws. The ST Residential Board shall, no later than the later to occur of (x) 15 days after receipt of notice of such allocated amount from the Condominium Board or (y) 30 days prior to the date such taxes are due to The City of New York, pro-rate the share of the Property's real estate taxes so allocated to the Section among the individual ST Residential Units on the basis of the ratio that the initial offering price for each ST Residential Unit set forth in Schedule A to the Offering Plan bears to the total initial offering prices of all ST Residential Units set forth in such Schedule A, and give notice to each ST Residential Unit Owner of the amount payable by such Unit Owner. Each ST Residential Unit Owner will then, no later than the later to occur of (i) 15 days after receipt of notice of such pro-rated amount from the ST Residential Board or (ii) 15 days prior to the date such taxes are due to The City of New York, pay to the ST Residential Board its pro-rated share, which amount shall for all purposes constitute part of the ST Residential Common Charges payable by such Unit Owner, and the ST Residential Board will forward all such amounts, plus any additional amount necessary so that the total shall equal the total amount allocated the Section, to the Condominium Board no later than 5 business days prior to the date such taxes are due to The City of New York. A ST Residential Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the non-payment of real estate taxes assessed against any other Units.

6.16.3 The ST Residential Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the ST Residential Units on behalf of and as agent for the respective ST Residential Unit Owners thereof; but only with respect to such ST Residential Units as to which the respective Unit Owners thereof have, in writing requested and authorized the ST Residential Board to do so, and indemnified the ST Residential Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All ST Residential Unit Owners making such request to the ST Residential Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such ST Residential Unit Owners. In the event any ST Residential Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the ST Residential Board, if necessary for such proceeding, will execute any documents or other papers

required for, and otherwise cooperate with such ST Residential Unit Owner in pursuing, such reduction, provided that such ST Residential Unit Owner indemnifies the ST Residential Board from all claims, costs and expenses (including, without limitation, attorneys' fees and expenses) resulting from such proceedings.

6.17 Steam. Steam will be purchased by the Condominium from Consolidated Edison Company of New York, Inc. ("Con Edison") (or any utility that subsequently supplies steam to the Building). The cost of steam provided to or serving the ST Residential Units will be paid for by the ST Residential Board as an ST Residential Common Expense and allocated among the ST Residential Units in proportion to their Common Interests and included as part of ST Residential Common Charges.

6.18 Electricity and Gas. (a) Electricity for the Condominium will be provided by Con Ed (or any utility that subsequently supplies electricity to the Building), submetered to Section and sub-metered to each ST Residential Unit. Subject to Section 6.5.9(b) of the Condominium By-Laws, the owner of each such Unit shall pay for such electricity either to the ST Residential Board, the Condominium Board or the utility company, as directed by the ST Residential Board. Electricity for the ST Residential Limited Common Elements will be paid for by the ST Residential Board as an ST Residential Common Expense and allocated among the ST Residential Units in proportion to their Common Interests.

(b) All service problems or billing problems relating to sub-submetered electrical service encountered by an ST Residential Unit Owner will be handled directly by the ST Residential Board in accordance with the ST Residential By-Laws. Upon failing to resolve any dispute with the ST Residential Board, the ST Residential Unit Owner in question may, within 30 days, submit a complaint for occupant grievance. The complaint form will be transmitted to an Arbitrator paid for by the ST Residential Board, at which time the complainant will be provided written notice of the grievance procedure rules. The Arbitrator shall be obligated to issue a written decision within 10 days of the filing of the complaint. The Arbitrator will provide the grounds or reasons for his/her position. At the hearing, both sides may be represented by counsel or other designated person, produce witness, submit documentary evidence relied on within ten days of the hearing. Records of all such complaints and decisions will be maintained for at least three years. Except as hereinabove provided, the procedures for an "Arbitration" as set forth in these ST Residential By-Laws shall govern.

(c) Gas for the Building shall be supplied through gas meters. The gas for the Section will be submetered and the cost thereof paid by the ST Residential Board, and allocated among the ST Residential Units in proportion to their Common Interests and included as part of ST Residential Common Charges.

6.19 Operation of Central Mechanical Plant. Notwithstanding anything contained in these Residential By-Laws to the contrary, the central mechanical plant of the Building which provides and/or distributes the various utilities to all Units other than the Time Warner Unit (the "Non-TWI Central Plant") will be operated pursuant to a long-term service contract between the Condominium and an affiliate of or manager designated by the Initial Residential Grantee (the "Utilities Operator"). For purposes of the foregoing sentence, "utilities" shall include, without limitation, all chilled water, steam, electricity and gas. To the extent permitted by law, each Non-Residential Unit Owner (other than the Time Warner Unit Owner), the Section and the NT Residential Section will be liable to the Utilities Operator for the payments under such service contract, in the proportions provided therefor in the Condominium By-Laws; provided that any such sums payable by the Section, and then charged to the ST Residential Unit Owners as an ST Residential Common Expense, will be commercially reasonable when compared to amounts payable by residential unit owners of property comparable to the Section.

6.20 Remedies for Violations of By-Laws or Rules and Regulations.

6.20.1 The violation by any ST Residential Unit Owner of any of the ST Residential Rules and Regulations (or the General Rules and Regulations, if any) or the breach of any of these Residential By-Law or the Condominium By-Laws, or the breach of any provision of the Declaration, shall give: (a) the Condominium Board with respect to matters affecting the Condominium By-Laws or the General Common Elements, (b) the ST Residential Board with respect to matters affecting these Residential By-Laws or the Section, (c) each Non-Residential Unit Owner, with respect to matters affecting its Non-Residential Unit, the Limited Common Elements appurtenant thereto or the General Common Elements affecting the use of its Non-Residential Unit, and (d) the NT Residential Board, with respect to matters affecting the NT Residential Section, the Residential Common Elements and Residential Limited Common Elements appurtenant thereto or the General Common Elements affecting the use of its Residential Section, the right, in addition to any other rights set forth in these Residential By-Laws, the Condominium By-Laws or the Declaration: (i) to enter any ST Residential Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting ST Residential Unit Owner, any structure, thing or condition resulting in such violation or breach, provided that the appropriate Board or such Non-Residential Unit Owner gives the ST Residential Unit Owner notice (which may be by telephone or telecopier) that such violation or breach exists and, as the case may be, that abatement, removal, repairs, replacements or alterations are necessary, and the appropriate Board or Non-Residential Unit Owner shall not as a result of such entry and cure be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach, provided that the appropriate Board or such Non-Residential Unit Owner gives the ST Residential Unit Owner notice (which may be by telephone or telecopier) that such violation exists and that repairs, replacements or alterations are necessary, and/or (iii) to have its costs and expenses by reason of such breach or violation repaid to it, and/or (iv) if the party seeking to remedy a breach is the Condominium Board or the ST Residential Board, to levy such fines and penalties as such Board may deem appropriate, and such Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.20.2 The violation or breach of any of the provisions of these Residential By-Laws, the Condominium By-Laws, the ST Residential Rules and Regulations, the General Rules and Regulations (if any) or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant and/or the Initial Residential Grantee shall give to such parties the right, in addition to any other rights set forth in these Residential By-Laws, the Condominium By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.21 Utility Costs Payable as Residential Common Charges. All amounts payable to the Residential Board by the Residential Unit Owners in respect of utilities as set forth above shall be considered and payable as Residential Common Charges and subject to, among other things, the Residential Board's lien for unpaid Residential Common Charges.

ARTICLE 7

MORTGAGES

7.1 Notice to ST Residential Board. A ST Residential Unit Owner which mortgages its Unit shall notify the ST Residential Board of the name and address of the mortgagee, file a conformed copy of the note and mortgage with the ST Residential Board and, prior to making such mortgage, satisfy all unpaid liens against its Unit other than Permitted Mortgages. A ST Residential Unit Owner who satisfies a mortgage covering its Unit shall so notify the ST Residential Board and shall file a conformed copy of the satisfaction of mortgage with the Board.

7.2 Notice to Mortgagees of Default and Unpaid ST Residential Common Charges.

Whenever so requested in writing by a Permitted Mortgagee of an ST Residential Unit, the ST Residential Board shall promptly report to such Permitted Mortgagee any default in the payment of ST Residential Common Charges or any other default by the ST Residential Unit Owner of such Unit under any of the provisions of the Declaration, these Residential By-Laws or the Condominium By-Laws which, to the ST Residential Board's knowledge, may then exist. The ST Residential Board, when giving notice to an ST Residential Unit Owner of any such default, shall also send a copy of such notice to any Permitted Mortgagee thereof, if so requested in writing by such Permitted Mortgagee; however, the ST Residential Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by its mortgagor, provided that the ST Residential Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure.

7.3 Performance by Permitted Mortgagees. The ST Residential Board shall accept payment of any sum of money or performance of any act by any Permitted Mortgagee of an ST Residential Unit Owner required to be paid or performed by such ST Residential Unit Owner pursuant to the provisions of the Declaration, these Residential By-Laws, the Condominium By-Laws, the ST Residential Rules and Regulations or the General Rules and Regulations, with the same force and effect as though paid or performed by such ST Residential Unit Owner.

7.4 Examination of Books. Each ST Residential Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Section upon reasonable prior notice, at reasonable times on business days, but not more frequently than once a month.

7.5 Representatives of Residential Mortgagees.

7.5.1 The holders of Permitted Mortgages constituting a majority of the outstanding principal amount of all Permitted Mortgages encumbering the ST Residential Units may, at their election, designate in writing to the ST Residential Board one or more (but not more than three) representatives ("ST Residential Mortgagee Representatives"), which ST Residential Mortgagee Representatives shall be empowered to act on behalf of all holders of Permitted Mortgages encumbering the ST Residential Units with respect to any matter requiring their consent or approval under the Declaration, these Residential By-Laws or the Condominium By-Laws. If any of the ST Residential Mortgagee Representatives are so designated and notice thereof is given to the ST Residential Board, the act of any such Representative (or a majority of such Representatives, if more than one is so designated) shall be deemed binding upon the holders of all Permitted Mortgages encumbering the ST Residential Units.

7.5.2 Any designation of an ST Residential Mortgagee Representative shall remain effective until a subsequent designation is made pursuant to the provisions hereof and notice of such subsequent designation is given to the ST Residential Board.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein, in the Condominium By-Laws or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the ST Residential Board or any ST Residential Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF ST RESIDENTIAL UNITS

8.1 Sales and Leases of ST Residential Units. Subject to the terms of Section 8.7 hereof, each ST Residential Unit Owner may sell its Unit, or lease its Unit for periods of one (1) year or more only (or for such other period of time as may be determined by the ST Residential Unit Owners pursuant to an amendment of this provision in accordance with Section 13.1), provided that no ST Residential Unit

Owner (other than Declarant or the Initial Residential Grantee) may sell or lease its ST Residential Unit except by complying with the provisions of this Article 8 and, specifically, this Section 8.1.

8.1.1 (a) Subject to the terms of Section 8.8, any contract to sell an ST Residential Unit, together with its appurtenant Common Interest, or any lease of an ST Residential Unit (collectively, the "Sale Agreement or Lease") shall contain the following provision: "This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the ST Residential Board of Managers of AOL Time Warner Center Condominium in respect of the transaction described herein, pursuant to the terms of Article 8 of the By-Laws of the ST Residential Section of AOL Time Warner Center Condominium." (The ST Residential Unit Owner who has entered into a Sale Agreement or Lease is herein referred to as the "Offeree Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror.")

(b) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the ST Residential Board, by certified or registered mail, return receipt requested, or by reputable courier providing overnight delivery; such notice shall be accompanied by a fully completed application package, which the Offeree Unit Owner shall obtain from the managing agent of the Section, together with a fully executed duplicate original of the Sale Agreement or Lease and any and all related agreements, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the ST Residential Board shall constitute an offer by the Offeree Unit Owner to sell its ST Residential Unit, together with its appurtenant Common Interest, or to lease its ST Residential Unit, as the case may be, to the ST Residential Board, or its designee (corporate or otherwise), on behalf of all ST Residential Owners, upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the ST Residential Board, on behalf of all ST Residential Owners, that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall promptly submit in writing such further information with respect thereto as the ST Residential Board may reasonably request. The ST Residential Board may, by sending written notice, by certified or registered mail, return receipt requested, or by reputable courier providing overnight delivery, to such Offeree Unit Owner not later than twenty (20) days after receipt of such notice, or if further information has been requested, then not later than twenty (20) days after receipt thereof, elect to purchase such ST Residential Unit, together with its appurtenant Common Interest, or elect to lease such ST Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all ST Residential Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease and as stated in the Offeree Unit Owner's response(s) to requests by the ST Residential Board for further information, as provided for above.

8.1.2 If the ST Residential Board shall timely elect to purchase such ST Residential Unit, together with its appurtenant Common Interest, or to lease such ST Residential Unit, as the case may be, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the ST Residential Board, in accordance with the terms of the Sale Agreement or Lease, within sixty (60) days after the giving of notice by the ST Residential Board of its election to accept such offer. However, if the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease Agreement shall be later than sixty (60) days after the giving of notice by the ST Residential Board of its election to accept the aforesaid offer, the ST Residential Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease to be performed by the Outside Offeror (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a downpayment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the ST Residential Board may purchase the ST Residential Unit and assume or take title to the ST Residential Unit subject to said

existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such ST Residential Unit (together with its appurtenant Common Interest) is to be sold, shall convey the same to the ST Residential Board, or its designee, on behalf of all ST Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest, if applicable, ST Residential Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the ST Residential Board, or its designee, as of the closing date. In the event such ST Residential Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the ST Residential Board, or its designee, a lease between the Offeree Unit Owner, as landlord, and the ST Residential Board, or its designee, as tenant, covering such ST Residential Unit, for the rental and term contained in the Lease.

8.1.3 In the event the ST Residential Board or its designee shall fail to accept such offer within twenty (20) days after receipt of notice and all other documents and information to be provided under this Article 8, or waives such election in writing within such twenty (20)-day period, the Offeree Unit Owner shall have an additional sixty (60) days after the earlier of the expiration of such twenty (20)-day period or waiver in writing by the ST Residential Board, as the case may be, to consummate the transaction set forth in the Sale Agreement or Lease (or such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable). In the event the Offeree Unit Owner shall not, within such sixty (60)-day period (or such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable), so consummate the transaction, or should the terms of the Sale Agreement or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4 Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, the Condominium By-Laws, these Residential By-Laws, the ST Residential Rules and Regulations and the General Rules and Regulations, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5 Any Lease to an Outside Offeror shall be consistent with these Residential By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the ST Residential Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the ST Residential Board and that the ST Residential Board shall have power to terminate such Lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of: (i) a default by the tenant in the performance of its obligations under such Lease or a default by or caused by such tenant under any of the provisions of these Residential By-Laws or the Condominium By-Laws; or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York, the Declaration, these Residential By-Laws, the Condominium By-Laws or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to the Declaration, these Residential By-Laws, the Condominium By-Laws, the ST Residential Rules and Regulations and the General Rules and Regulations.

8.1.6 Except as hereinbefore set forth, the form and substance of any such Lease executed by the ST Residential Board or an Outside Offeror shall be the then current form of lease approved by the ST Residential Board (as the same may be changed from time to time). Any Lease executed by the ST Residential Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from the subtenant.

8.1.7 If an ST Residential Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock, or if an ST Residential Unit Owner is a partnership, limited

liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, in each case, other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the ST Residential Unit owned by such entity to the requirement that the ST Residential Unit first be offered to the ST Residential Board, as described in this Section 8.1.

8.1.8 Any purported sale or lease of an ST Residential Unit in violation of this Section 8.1 shall be voidable at the election of the ST Residential Board and if the ST Residential Board shall so elect, the ST Residential Unit Owner shall be deemed to have authorized and empowered the ST Residential Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case may be, in the name of said ST Residential Unit Owner as the purported seller or landlord, as the case may be. Said ST Residential Unit Owner shall reimburse the ST Residential Board for all expenses (including attorneys' fees and expenses) incurred in connection with such proceedings, promptly upon demand therefor. In no event shall any purported sale or lease of an ST Residential Unit in violation of this Section 8.1 release the ST Residential Unit Owner which is the purported seller or lessor, as the case may be, from any of its obligations under the Declaration, the Condominium By-Laws, these Residential By-Laws, whether or not such sale or lease is voided by the ST Residential Board.

8.2 Consent of ST Residential Unit Owners to Purchase or Lease of Units by ST Residential Board. Subject to the terms of these Residential By-Laws, the ST Residential Board may exercise or waive any option hereinabove set forth to purchase or lease any ST Residential Unit without the prior approval of the ST Residential Unit Owners.

8.3 No Severance of Ownership. No ST Residential Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its ST Residential Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Interest of any ST Residential Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all ST Residential Units. Nothing in this Section 8.3 shall prohibit the lease of any ST Residential Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by ST Residential Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the ST Residential Board only in the manner provided in Section 8.5. In the event the ST Residential Board shall release or waive its right of first refusal as to any ST Residential Unit, such ST Residential Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the ST Residential Board pursuant to Section 8.1 hereof, subject to the provisions of subsection 8.1.3. The ST Residential Board may establish reasonable fees for the consideration of any right of first refusal, which fees shall be payable by the selling or leasing ST Residential Unit Owner (but not Declarant or the Initial Residential Grantee), as the case may be.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Section stating that the provisions of 8.1 have been satisfied by an ST Residential Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the ST Residential Board and that, as a result thereof, the rights of the ST Residential Board thereunder have terminated, shall be conclusive upon the ST Residential Board and the ST Residential Unit Owners in favor of all persons who rely on such certificate in good faith.

8.6 Financing of Purchase, or Refinancing, of ST Residential Units by ST Residential Board. The purchase of any ST Residential Unit, together with its appurtenant Common Interest, by the ST Residential Board or its designee, on behalf of all ST Residential Unit Owners, may, at the option of the ST Residential Board, be made from the funds deposited in the capital and/or expense accounts of the ST Residential Board by or on behalf of ST Residential Unit Owners. The ST Residential Board may levy an assessment against each ST Residential Unit Owner, in proportion to its respective Common Interest, as an additional ST Residential Common Charge, and/or the ST Residential Board, in its discretion, may finance the acquisition of such ST Residential Unit and subsequently refinance such ST Residential Unit (on such terms and in such amount(s) as the ST Residential Board determines); provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Section (except to the extent permitted by law) other than the ST Residential Unit to be purchased or refinanced, as the case may be, together with its appurtenant Common Interest.

8.7 Exceptions. In addition to any other exceptions herein before set forth, the provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any ST Residential Unit, together with its appurtenant Common Interest, by: (a) the ST Residential Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of any of them (collectively, "family members"), or to any affiliate (as defined below) of the ST Residential Unit Owner thereof or the owner of any controlling interest in an ST Residential Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Declarant or the Initial Residential Grantee with respect to Unsold ST Residential Units; (c) the ST Residential Board; (d) any proper officer conducting the sale of an ST Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or (e) a Permitted Mortgagee or its nominee, who has acquired title to any ST Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding ST Residential Unit Owner shall be bound by, and its ST Residential Unit shall be subject to, all of the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to any lease, sale or conveyance of an ST Residential Unit to a Permitted Mortgagee or a purchaser at a foreclosure sale of a Permitted Mortgage in connection with a foreclosure or sale in lieu of same. The term "affiliate" shall be deemed to be any individual or entity that owns 50% or more of the legal and beneficial interest of such ST Residential Unit Owner or owner of an interest in a Unit Owner, as the case may be (with respect to an ST Residential Unit Owner which is not an individual), or any entity with respect to which such ST Residential Unit Owner or owner of an interest in an ST Residential Unit Owner, as the case may be (individual or otherwise), owns 50% or more of the legal and beneficial interest.

8.8 Gifts and Devises, etc. Any ST Residential Unit Owner shall be free to convey or transfer his or her ST Residential Unit by gift, or may devise his or her ST Residential Unit by will, or have his or her ST Residential Unit pass by intestacy, without complying with the provisions of 8.1, provided, however, that each succeeding ST Residential Unit Owner shall be bound by, and his or her ST Residential Unit shall be subject to, the provisions of this Article 8.

8.9 Payment of Assessments. ST Residential Unit Owners shall not be permitted to sell, convey, mortgage, pledge, hypothecate or lease their ST Residential Units unless and until they shall have paid in full to the ST Residential Board all unpaid ST Residential Common Charges (including, without limitation, the allocated General Common Charges included therein) and other amounts required by the ST Residential Board to be paid and theretofore assessed against such ST Residential Units and until such Residential Unit Owners shall have satisfied all unpaid liens against their Units, other than Permitted Mortgages. ST Residential Unit Owners shall notify the Managing Agent at least five (5) business days prior to the closing of any of the aforementioned transactions for confirmation of any unpaid amounts.

8.10 Waiver of Right of Partition with Respect to ST Residential Units Acquired on Behalf of ST Residential Unit Owners as Tenants-in-Common. In the event that any ST Residential Unit shall be acquired by the ST Residential Board or its designee, corporate or otherwise, on behalf of all ST

Residential Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Property as herein provided.

8.11 Mortgage of ST Residential Units. Subject to Article 7 and Section 8.9, each ST Residential Unit Owner shall have the right to mortgage its Unit without restriction.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the ST Residential Limited Common Elements, then, subject to the provisions set forth below, the ST Residential Board will arrange for the prompt repair and restoration of the part of the ST Residential Limited Common Elements affected by such taking. The award made for any such taking shall be payable to the ST Residential Board; provided, however, that if any such award exceeds \$5,000,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.7 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. (The dollar amount set forth in the preceding sentence shall be adjusted to reflect any increase in the CPI Increase Factor). If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne by the ST Residential Unit Owner's pro rata in accordance with their Common Interests; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five (75%) percent or more of the ST Residential Limited Common Elements are so taken, such repairs or restorations shall not be made unless seventy-five (75%) percent or more of all ST Residential Unit Owners (and Declarant and/or Initial Residential Grantee or their designees, if they shall then own any Units), both in number and in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the ST Residential Section shall be subject to an action for partition by any ST Residential Unit Owner or lienor, as if owned in common, in which event the net proceeds of the sale, and net proceeds of any applicable condemnation awards shall be divided among all ST Residential Unit Owners by apportioning the amount apportioned to the ST Residential Unit Owners among such Residential Unit Owners in proportion to the fair market values of the respective Residential Units, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days after the date notice is given of such taking. Any dispute between the ST Residential Board and an ST Residential Unit Owner under this Article 9 shall be settled by Arbitration.

ARTICLE 10

RECORDS AND AUDITS

10.1 Records. The ST Residential Board, or the managing agent therefor, shall keep detailed records of the actions of the ST Residential Board, minutes of the meetings of the Board, minutes of the meetings of the ST Residential Unit Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the ST Residential Board shall keep a separate account for each ST Residential Unit which, among other things, shall contain the amount of each assessment of ST Residential Common Charges and other amounts

required by the ST Residential Board to be paid in respect of each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures, prepared and certified by an independent certified public accountant or an independent certified public accounting firm, shall be submitted by the ST Residential Board to all ST Residential Unit Owners and to all Permitted Mortgagees of ST Residential Units, who have requested the same in writing. The cost of such report submitted by the ST Residential Board shall be paid by the ST Residential Unit Owners as an ST Residential Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these Residential By-Laws, the Condominium By-Laws, the ST Residential Rules and Regulations, the General Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the ST Residential Board and shall be available for inspection by ST Residential Unit Owners and their authorized agents during reasonable business hours and upon reasonable prior notice.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Except as may otherwise be expressly provided in these Residential By-Laws, the Condominium By-Laws or the Declaration, any arbitration provided for in these Residential By-Laws ("Arbitration") shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect; the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction; provided that, in the case of Arbitration of issues arising under Sections 6.4 and 6.5, any arbitrator shall be a real estate professional, having ten (10) or more years experience in the field of Manhattan commercial real property. Notwithstanding the foregoing, any arbitration held pursuant to the Declaration or these Residential By-Laws with respect to a dispute which arose prior to the first annual meeting of ST Residential Unit Owners shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his or her appointment.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to a dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the parties to the dispute. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. Subject to the foregoing, all costs and expenses paid or incurred by the ST Residential Board in connection with any arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute ST Residential Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Consents. Wherever the consent, approval or satisfaction of Declarant, Developer or the Initial Residential Grantee is required under these Residential By-Laws, such consent, approval or satisfaction shall not be required when there are no remaining Unsold ST Residential Units, the Building has been fully completed, a permanent certificate of occupancy therefor has been issued and neither Declarant, Developer nor the Initial Residential Grantee has any remaining obligations under the Offering Plan, the Restrictions Instrument, the Development Agreements, the Subway Maintenance Agreement or otherwise.

12.2 Waiver. No provision contained in these Residential By-Laws or the ST Residential Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

12.3 Captions. The index hereof and captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Residential By-Laws nor the intent of any provision hereof.

12.4 Conflict. In the event of any conflict between: (a) the provisions of these Residential By-Laws and those of the Condominium By-Laws, the provisions of the Condominium By-Laws shall control; and (b) the provisions of the ST Residential Rules and Regulations and those of the General Rules and Regulations, the provisions of the General Rules and Regulations shall control. In the event any provision of these Residential By-Laws or the ST Residential Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Certain References.

12.5.1 A reference in these Residential By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.5.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these Residential By-Laws refer to these Residential By-Laws in their entirety and not to the particular provision in which the terms are used.

12.5.3 Unless otherwise stated, all references herein to Articles, Sections, subsections, subparagraphs or other provisions are references to Articles, Sections or other provisions of these Residential By-Laws.

12.6 Severability. Subject to the provisions of the Declaration, if any provision of these Residential By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these Residential By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these Residential By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

12.7 Insurance Trustee. The Insurance Trustee shall be a bank or trust company having an office located in the City of New York, designated by the ST Residential Board and having a capital surplus and undivided profits of \$500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the ST Residential Board, the ST Residential Board shall appoint a new Insurance Trustee which shall be a commercial bank or trust company having an office located in the City of New York and having a capital surplus and undivided profits of \$500,000,000 or more, subject to increase by the CPI

Increase Factor. The ST Residential Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute an ST Residential Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York.

12.8 Successors and Assigns. The rights and obligations of the Declarant and/or the Initial Residential Grantee with respect to the Unsold ST Residential Units as set forth herein shall inure to the benefit of, and be binding upon, any successor or assign of the Declarant and the Initial Residential Grantee or, with the consent of the Declarant and/or the Initial Residential Grantee, any transferee of all of the then Unsold ST Residential Units. The rights and obligations of each Non-Residential Unit Owner as set forth herein shall inure to the benefit of, and be binding upon, any successor or assign of such Non-Residential Unit Owner with respect to its Non-Residential Unit. Subject to the foregoing, the Declarant, the Initial Residential Grantee and each Non-Residential Unit Owner shall each have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests in the Condominium, whether by merger, consolidation, lease, assignment or otherwise.

12.9 Covenant of Further Assurances.

12.9.1 Any party which is subject to the terms of these Residential By-Laws, whether such party is an ST Residential Unit Owner, a lessee or sublessee of an ST Residential Unit Owner, an occupant of a Unit, a member or officer of the ST Residential Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of these Residential By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.9.2 If any ST Residential Unit Owner or any other party which is subject to the terms of these Residential By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which such ST Residential Unit Owner or other party is required to perform pursuant to these Residential By-Laws, then the ST Residential Board which represents such Unit Owner or other party is hereby authorized, as attorney-in-fact, coupled with an interest, for such ST Residential Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such ST Residential Unit Owner or other party, and such instrument or action shall be binding on such ST Residential Unit Owner or other party, as the case may be.

12.9.3 If any ST Residential Unit Owner or other party which is subject to the terms of these Residential By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which such ST Residential Unit Owner or party is required to perform pursuant to these Residential By-Laws at the request of Declarant, Developer or the Initial Residential Grantee, then Declarant, Developer or the Initial Residential Grantee, as the case may be, is hereby authorized, as attorney-in-fact, coupled with an interest, for such ST Residential Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such ST Residential Unit Owner or other party, and such document or action shall be binding on such ST Residential Unit Owner or other party.

12.9.4 If the ST Residential Board fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the ST Residential Board is required to perform pursuant to these Residential By-Laws or the Condominium By-Laws at the request of Declarant, Developer, the Initial Residential Grantee or the Condominium Board, then Declarant, Developer, the Initial Residential Grantee or the Condominium Board, as the case may be, is hereby authorized, as attorney-in-fact, coupled with an interest, for the Board, to execute, acknowledge

and deliver such instrument, or to take such action, in the name of the Board, and such document or action shall be binding on the Board.

ARTICLE 13

AMENDMENTS TO RESIDENTIAL BY-LAWS

13.1 Amendments by ST Residential Unit Owners. Subject to the provisions contained herein, in the Declaration or in the Condominium By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, Developer or the Initial Residential Grantee, any Unsold ST Residential Units, the Non-Residential Units or the Non-Residential Unit Owners, any provision of these Residential By-Laws or the ST Residential Rules and Regulations may be amended, modified, added to or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all ST Residential Unit Owners; provided, however, that the Common Interest appurtenant to each ST Residential Unit shall not be altered without the written consent of all ST Residential Unit Owners affected thereby. Subject to the provisions contained herein, in the Declaration or in the Condominium By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, Developer or the Initial Residential Grantee, any Unsold ST Residential Units, the Non-Residential Units or the Non-Residential Unit Owner, any such amendment, modification, addition or deletion shall be executed by the ST Residential Board, as attorney-in-fact, coupled with an interest, for the ST Residential Unit Owners, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion, which ST Residential Board is hereby authorized by such ST Residential Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein, in the Declaration or in the Condominium By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or the Initial Residential Grantee, any Unsold ST Residential Units, the Non-Residential Units or the Non-Residential Unit Owners: (i) no such amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the ST Residential Mortgagee Representatives, if any; and (ii) the provisions of Sections 6.9 and 6.10 may not be amended, modified, added to or deleted unless 80% in Common Interest of all ST Residential Unit Owners affected thereby approve such amendment, modification, addition or deletion in the manner set forth above. Each duly adopted amendment, modification, addition or deletion to these Residential By-Laws shall be effectuated by an instrument recorded in the City Register's Office.

13.2 Amendments Affecting Declarant, Initial Residential Grantee, Non-Residential Unit Owners or the Condominium Board. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of these Residential By-Laws, the Declaration or the ST Residential Rules and Regulations shall be effective in any way against: (a) Declarant, Developer or the Initial Residential Grantee, for so long as any of the foregoing is the owner of one or more ST Residential Units, or any Unsold ST Residential Unit, unless Declarant, Developer or the Initial Residential Grantee, as the case may be, has given its prior written consent thereto; or (b) the holder of any present or future mortgage, pledge or other lien or security interest encumbering any Unsold ST Residential Unit unless such holder has given its prior written consent thereto.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of Sections 6.2.2 or 6.4, Article 7, or clauses (d) and (e) and the second sentence of Section 8.7, shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto.

13.4 Amendments Affecting Restrictions Instrument or Subway Maintenance Agreement. Notwithstanding any provision herein to the contrary, for so long as the Restrictions Instrument or Subway Maintenance Agreement is in effect, no amendment, modification or deletion to these Residential

By-Laws will be effected which would contravene and/or would directly or indirectly constitute or give rise to a default under such instrument.

EXHIBIT A

RESIDENTIAL RULES AND REGULATIONS ONE CENTRAL PARK -- SOUTH TOWER AT AOL TIME WARNER CENTER CONDOMINIUM

These Residential Rules and Regulations shall apply only to the ST Residential Section and to the Residential Units included therein, and not to any other Units or portions of the Condominium; and neither the ST Residential Board nor any ST Residential Unit Owner shall have any right to make, amend or enforce any of the Residential Rules and Regulations as may be applicable to the other Residential Section.

1. The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the ST Residential Section shall not be obstructed or used for any purpose by ST Residential Unit Owners and their invitees other than the respective purposes for which they were intended.
2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire landings of the ST Residential Section nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the ST Residential Section.
3. Neither occupants nor their guests shall play in the entrances, passages, public halls, lobbies, elevators, vestibules, corridors, stairways or fire landings of or serving the ST Residential Section.
4. No public hall or public elevator vestibule of the ST Residential Section (other than on those floors containing full-floor Residential Units) shall be decorated or furnished by any ST Residential Unit Owner in any manner, except as otherwise expressly provided in the ST Residential By-Laws.
5. Each ST Residential Unit Owner shall keep his or her Unit (and any Limited Common Element appurtenant thereto) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.
6. No window guards or other window decorations shall be used in or about any ST Residential Unit, unless otherwise required by law and as approved by the ST Residential Board and the Condominium Board, except that to promote a consistent appearance of the ST Residential Section from the outside, each ST Residential Unit Owner will be required to install and maintain window treatments having a neutral-colored backing on the sides facing the windows in its Residential Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Residential Board.
7. No radio, television or other aerial, satellite dish, disk or similar device shall be attached to or hung from the exterior of the ST Residential Section and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the ST Residential Section except such as are permitted pursuant to the Declaration, the Condominium By-Laws, the General Rules and Regulations (if any) or the ST Residential By-Laws or shall have been approved in writing by the

Condominium Board and the Residential Board; nor shall anything be projected from any window of the ST Residential Section without similar approval.

8. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Residential Board; and no "window" air-conditioners of any kind shall be permitted.

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

10. No mopeds, motorcycles, bicycles, scooters or similar vehicles shall be taken into or from the ST Residential Section through the main ST Residential Section entrances or be allowed in any of the elevators other than the elevators designated by the Residential Board or the Managing Agent of the ST Residential Section for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the ST Residential Section.

11. No ST Residential Unit Owner shall make or permit any disturbing or objectionable noises, odors or activity in the ST Residential Section, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners or their tenants or occupants. No ST Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a stereo system, radio or television set or other loudspeaker in such ST Residential Unit Owner's Unit between midnight and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 4:00 P.M., unless such construction or repair work is necessitated by an emergency or is being performed by or on behalf of the owner of any Unsold Residential Units, by Declarant, Developer of Declarant; or is work by or on behalf of any Non-ST Residential Unit Owner to repair or complete construction of any portion of the Building.

12. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition), shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Residential Board or the Managing Agent of the ST Residential Section and such consent, if given, shall be revocable by the Residential Board or such Managing Agent in their sole discretion, at any time. Any pet constituting a nuisance shall be permanently removed from the ST Residential Section within one week after notice from the Managing Agent of the ST Residential Section. In no event shall there be maintained in any Residential Unit more than two (2) pets without the consent of the Residential Board nor shall any bird, reptile, or animal be permitted in any public elevator in the ST Residential Section, other than the elevators designated by the Residential Board or the Managing Agent of the ST Residential Section for that purpose, or in any of the public portions of the ST Residential Section, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the ST Residential Section or on the sidewalk or street adjacent to the ST Residential Section. Each ST Residential Unit Owner who keeps (or permits to be kept) any type of pet in such Unit Owner's Residential Unit may be required to enter into an agreement with the Residential Board setting forth such

other rules regarding pets as the Residential Board shall deem suitable and indemnifying and holding harmless the ST Residential Section, the Residential Board, all ST Residential Unit Owners and the Managing Agent of the ST Residential Section from all claims and expenses resulting from acts of such pet.

13. Service personnel, messengers and tradespeople visiting or residing in the ST Residential Section may be required to use the elevators designated by the Residential Board or the Managing Agent of the ST Residential Section for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of ST Residential Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Residential Unit owner, guest or tenant. However, a guest or visitor of an ST Residential Unit Owner may use any of the available elevators freely, if authorized by such Unit Owner.

14. All service and delivery persons will be required to use the service entrances to the ST Residential Section as may be designated by the Residential Board or the Managing Agent of the ST Residential Section. All packages, including, without limitation, those containing perishable items, delivered by outside personnel must be delivered to the area therefor designated by the Residential Board or the Managing Agent of the ST Residential Section. Deliveries will be made from such area to individual Residential Units only by ST Residential Section personnel or as otherwise directed by ST Residential Section personnel. Such deliveries will be made only at such times as a Residential Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Residential Unit in question is not occupied or delivery is declined, the package will be held in the designated area until the resident or authorized person returns or requests delivery, except in the case of perishable items which will be held in the designated area for no longer than 24 hours. After said 24-hour period, the perishable item shall be disposed of by ST Residential Section personnel.

15. Trunks and heavy baggage shall be taken in or out of the ST Residential Section by the elevators designated by the Residential Board or the Managing Agent of the ST Residential Section for that purpose, and through a designated entrance only.

16. No refuse from the Residential Units shall be sent to the below grade levels of the ST Residential Section except at such times and in such manner as the Residential Board or the Managing Agent of the ST Residential Section may direct.

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

18. No occupant of the ST Residential Section shall send any employee of the ST Residential Section or of the Managing Agent thereof out of the ST Residential Section on any private business.

19. The agents of the Residential Board or the Managing Agent of the ST Residential Section, and any contractor or worker authorized by the Residential Board or the Managing Agent of the ST Residential Section and accompanied by an agent of the Residential Board or the Managing Agent, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior notice to the ST Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be

necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

20. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

21. The Residential Board or the Managing Agent of the ST Residential Section shall retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Residential Board or the Managing Agent of the ST Residential Section shall be provided with a key thereto immediately upon such alteration or installation. If the ST Residential Unit Owner is not personally present to open and permit an entry to his or her Residential Unit at any time when an entry therein is necessary or permissible under these Residential Rules and Regulations, the ST Residential By-Laws, the Condominium By-Laws or the Declaration, and the ST Residential Unit Owner has not furnished a key to the Residential Board or the Managing Agent of the ST Residential Section, then the Residential Board or the Managing Agent of the ST Residential Section or their agents (but, except in an emergency, only when specifically authorized by an officer of the Residential Board or an officer of the Managing Agent of the ST Residential Section) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (provided that during such entry reasonable care is given to the ST Residential Unit Owner's property).

22. Complaints regarding ST Residential Section services shall be made in writing to the Residential Board or to the Managing Agent of the ST Residential Section.

23. ST Residential Unit Owners shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Residential Units or any public portions of the ST Residential Section.

24. No ST Residential Unit Owner or any of his or her agents, service personnel, employees, licensees or visitors shall at any time bring into or keep in such ST Residential Unit Owner's Residential Unit any inflammable, combustible or explosive fluid, material, chemical or substance except as shall be necessary or appropriate for the permitted uses thereof.

25. If any key or keys are entrusted by an ST Residential Unit Owner or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the ST Residential Section or of the Managing Agent of the ST Residential Section, whether for such ST Residential Unit Owner's Residential Unit, automobile, trunk or other item of personal property, the use of the key shall be at the sole risk of such ST Residential Unit Owner, and neither the Residential Board nor the Managing Agent of the ST Residential Section shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

26. Nothing shall be done or kept in any Residential Unit which would increase the rate of insurance of the Condominium, the Building, the ST Residential Section or any contents of any of the foregoing, without the prior written consent of the Residential Board. No ST Residential Unit Owner shall permit anything to be done or kept in his or her Residential Unit which will result in the cancellation of insurance on the Condominium, the Building or the ST Residential Section, or which would be in violation of any law. No waste shall be committed in the Common Elements.

27. ST Residential Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority with respect to recycling of waste and refuse, including, without limitation, the separation of trash into "recyclable" and

"non-recyclable" materials and/or categories of each of same. The Residential Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the ST Residential Unit Owners for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Residential Board may also establish other rules and regulations regarding the recycling of trash. Any costs incurred by the Residential Board to enforce the Residential Rules and Regulations or the requirements of applicable law regarding the recycling of trash against an ST Residential Unit Owner, including, without limitation, legal fees, fines and penalties imposed by any government agency, shall be payable by the ST Residential Unit Owner as additional Common Charges. ST Residential Unit Owners will comply with the following procedures with respect to the use of the refuse chutes: (a) wrap dust, flour and powdered waste before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive or otherwise hazardous nature therein. Any refuse not disposable by depositing same in the refuse chute must be picked up directly from the Residential Unit by ST Residential Section personnel at such times and in such manner as the Residential Board or the Managing Agent of the ST Residential Section shall determine.

28. ST Residential Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority, including without limitation, those with respect to window guards and notices of emergency access and egress.

29. ST Residential Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building, except that each ST Residential Unit Owner of a penthouse Residential Unit with a private terrace located on the roof (and such ST Residential Unit Owner's family) may enter upon the roof and use its private terrace located on the roof for its intended purpose, in accordance with guidelines adopted by the Residential Board from time to time for such use.

30. The Residential Board shall have the right from time to time to relocate any portion of the Common Elements located in the ST Residential Section devoted to storage or service purposes of the ST Residential Section.

31. Unless expressly authorized by the Residential Board in each case, at least 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

32. No ST Residential Unit Owner, tenant or occupant of a Residential Unit (other than the owner of any Unsold Residential Unit) shall conduct any group tour or exhibition of any Residential Unit or its contents or any auction sale in any Residential Unit, without the prior consent of the Residential Board or the Managing Agent of the ST Residential Section.

33. In the event that any Residential Unit is used for home occupation purposes which are permitted by law, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

34. Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Residential Board, at any time by resolution of the Residential Board. Further, any such consent or approval may, in the discretion of the Residential Board or the Managing Agent of the ST Residential Section, be conditional in nature.

35. The Residential Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the ST Residential Section when, in the judgment of the Residential Board, the Residential Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, the Building or the ST Residential Section, or the preservation of good order therein, or the operation or maintenance of the Condominium, the Building or the ST Residential Section, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one ST Residential Unit Owner or other occupant shall operate as a rescission, alteration, waiver or addition in respect of any other ST Residential Unit Owner or other occupant.

36. Notwithstanding any references to "ST Residential Unit Owner" in these Residential Rules and Regulations, these Residential Rules and Regulations shall be binding upon all ST Residential Unit Owners and all tenants, guests and other occupants of the Residential Unit(s) of such ST Residential Unit Owner(s). ST Residential Unit Owners shall be responsible for enforcing compliance with, and liable for any violation of, the Residential Rules and Regulations by members of their families, guests, invitees, tenants, employees, agents, visitors and any other occupants of their Residential Units.

37. The laundry and drying apparatus in the laundry rooms, and the public amenity areas of the South Tower ST Residential Section shall be used in such manner, at such times and in accordance with such policies as the Residential Board or the Managing Agent of the ST Residential Section may direct.

38. With respect to any ST Residential Unit to which there is appurtenant a roof terrace, the following additional rules and regulations shall apply: All furniture must be "patio/terrace" furniture which is rust-proof; any planting/landscaping must comply with all Legal Requirements. Plants may not exceed the total weight allowance of 100 pounds and must be planted in water-proof containers so as not to cause water leakage. Any damage caused by the ST Residential Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. The roof terrace must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in good repair. The ST Residential Unit Owner shall not remove any of the above items by putting them over the roof terrace walls, but shall remove said items either through the apartment or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any terrace wall, structure, railing or other temporary or permanent structure is permitted. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on the roof terrace; any appropriate furniture including table, chair cushions and umbrellas may be left on the roof terrace only if properly secured. No items can be placed on the roof terrace parapet wall and/or railing. Terrace/railing may not be painted, cemented or changed in any fashion from original appearance. No carpeting may be placed on the roof terrace. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on the terrace. No animals, which include but are not limited to dogs, cats, birds, may be allowed on the roof terrace.

EXHIBIT B
(Form of Declaration)
(Replaces Plan Exhibit 6)

DECLARATION

**Establishing a Plan for Condominium Ownership
of the Premises known as AOL Time Warner Center,
f/k/a 10 Columbus Circle,
New York, New York 10019
Pursuant to Article 9-B of the Real Property
Law of the State of New York**

Name: AOL TIME WARNER CENTER CONDOMINIUM
Declarant: COLUMBUS CENTRE LLC
625 Madison Avenue - 9th Floor
New York, New York 10022
Date of _____, 2003
Declaration: **Location:** Block 1049
Lots 1001-1240
Borough of Manhattan

When Recorded, Return to:

**Kramer Levin Naftalis & Frankel LLP
Attorneys for Declarant
919 Third Avenue
New York, New York 10022
Attn: Jay A. Neveloff, Esq.
Jonathan H. Canter, Esq.**

DECLARATION

OF

AOL TIME WARNER CENTER CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

COLUMBUS CENTRE LLC ("Declarant"), a New York limited liability company
having an office at 625 Madison Avenue, New York, New York 10022, does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY; CONDOMINIUM BY-LAWS; DEFINED TERMS; CONFLICTING PROVISIONS; NAME OF CONDOMINIUM AND BUILDING

1.1 Submission of the Property. Declarant hereby submits the Land and Building (each as hereinafter defined), all other real property, improvements erected and to be erected thereon, and all easements, rights and appurtenances belonging thereto (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (as the same may be amended from time to time, the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known (subject to the provisions of Section 1.6 hereof) as "AOL Time Warner Center Condominium" (the "Condominium").

1.2 Condominium By-Laws; Defined Terms; Conflicting Provisions.

(a) Annexed to this Declaration as Exhibit A and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as the same may be amended from time to time in accordance with the provisions hereof and thereof, the "Condominium By-Laws").

(b) All capitalized terms used but which are not separately defined in this Declaration shall have the meanings given to such terms in the Condominium By-Laws (or in the Table of Definitions annexed thereto).

(c) In the event of a conflict between: (i) the terms and provisions of this Declaration, on the one hand, and the terms and provisions of any of the Condominium By-Laws, Residential By-Laws and/or Sub-By-Laws, on the other hand, the terms of this Declaration shall in all events govern; ~~(ii) the terms and provisions of the Condominium By-Laws, on the one hand, and the~~ terms and provisions of any Residential By-Laws or Sub-By-Laws, on the other hand, the terms of the Condominium By-Laws shall in all events govern, and (iii) the terms and provisions of the Condominium By-Laws or Declaration, on the one hand, and the terms and provisions of the General Rules and Regulations, on the other, the terms of the Condominium By-Laws or the Declaration shall in all events govern.

1.3 Residential Units and Residential By-Laws.

1.3.1 Following the recording of this Declaration, among other things, Declarant will distribute to Columbus Centre Residential LLC or its successor(s) or designee(s) (whichever such entity or entities is or are the actual distributee(s), collectively, the "Initial Residential Grantee") in redemption of Columbus Centre Residential LLC's membership interest in Declarant pursuant to the terms of Declarant's Operating Agreement: (i) those certain separate residential units (identified more particularly in Article 5 below) known as, and which (exclusive of any Common Elements contained therein or appurtenant thereto), as the same may hereafter be subdivided and/or combined in accordance with the provisions of the Condominium Documents are referred to herein each individually as, an "NT Residential Unit" and collectively as the "NT Residential Units" (which, together with the NT Residential Limited Common Elements appurtenant thereto, but exclusive of any General Common Elements contained therein or appurtenant thereto, are sometimes herein referred to, collectively, as the "NT Residential Section" and are more particularly described in Section 3.1(i) hereof); and (ii) those certain separate residential units (identified more particularly in Article 5 below) known as, and which (exclusive of any Common Elements contained therein or appurtenant thereto), as the same may hereafter be subdivided and/or combined in accordance with the provisions of the Condominium Documents, are referred to herein each individually as, an "ST Residential Unit" and collectively as the "ST Residential Units" (which, together with the ST Residential Limited Common Elements appurtenant thereto, but exclusive of any General Common Elements contained therein or appurtenant thereto, are sometimes herein referred to, collectively, as the "ST Residential Section" and are more particularly described in Section 3.1(ii) hereof).

1.3.2 The by-laws for the governance of the NT Residential Section annexed to this Declaration as Exhibit B-1 and made a part hereof (said by-laws, as the same may be amended from time to time in accordance with the provisions hereof, thereof and of the Condominium By-Laws governing amendment, are hereinafter referred to as the "NT Residential By-Laws") shall (together with, but subject to, this Declaration and the Condominium By-Laws) govern the affairs, use and occupancy of the NT Residential Section from and after the First NT Residential Unit Conveyance.

1.3.3 The by-laws for the governance of the ST Residential Section annexed to this Declaration as Exhibit B-2 and made a part hereof (said by-laws, as the same may be amended from time to time in accordance with the provisions hereof, thereof and of the Condominium By-Laws governing amendment, are hereinafter referred to as the "ST Residential By-Laws") shall (together with, but subject to, this Declaration and the Condominium By-Laws) govern the affairs, use and occupancy of the ST Residential Section from and after the First ST Residential Unit Conveyance.

1.3.4 For purposes hereof and of the Condominium By-Laws, the term "Residential By-Laws" shall mean (a) collectively, the NT Residential By-Laws, the ST Residential By-Laws and any other residential by-laws ("Other Residential By-Laws") created with respect to any Other Residential Units; or (b) any of the NT Residential By-Laws, the ST Residential By-Laws or any Other Residential By-Laws, as the context requires in each case.

1.4 Declarant/Initial Residential Grantee as Unit Owner. Notwithstanding anything herein, in the Condominium By-Laws, the Residential By-Laws or otherwise to the contrary:

1.4.1 From the date hereof until the date on which a Unit (other than a Residential Unit) is first conveyed (in the case of the Performing Arts Unit) or first distributed (in the case of any other Unit) by Declarant to another Person, (i) Declarant shall have all the rights and obligations described herein and in the Condominium By-Laws with respect to such Unit as rights and obligations of

the Unit Owner thereof and (ii) all references in this Declaration and in the Condominium By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

1.4.2 (a) From the date hereof until the First Residential Unit Conveyance in the NT Residential Section, Declarant (until the distribution described in Section 1.3.1 above), and (from and after such distribution) the Initial Residential Grantee, shall have all the rights and obligations described herein and in the Condominium By-Laws as the collective rights and obligations of the NT Residential Unit Owners and its board of managers (the "NT Residential Board"); and, until such First Residential Unit Conveyance, all references herein and in the Condominium By-Laws to the NT Residential Unit Owners and/or the NT Residential Board shall be deemed to be references to Declarant or the Initial Residential Grantee, as applicable.

(b) From the date hereof until the First Residential Unit Conveyance in the ST Residential Section, Declarant (until the distribution described in Section 1.3.1 above), and (from and after such distribution) the Initial Residential Grantee, shall have all the rights and obligations described herein and in the Condominium By-Laws as the collective rights and obligations of the ST Residential Unit Owners and its board of managers (the "ST Residential Board"); and, until such First Residential Unit Conveyance, all references herein and in the Condominium By-Laws to the ST Residential Unit Owners and/or the ST Residential Board shall be deemed to be references to Declarant or the Initial Residential Grantee, as applicable.

1.5 [Intentionally omitted]

1.6 Condominium Name; Building Name; Logo.

1.6.1 Initial and Subsequent Names. (i) The name of the Condominium shall be "AOL Time Warner Center Condominium" (the "Condominium Name"), and the name of the Building shall be "AOL Time Warner Center" (the "Building Name"; together with the Condominium Name, the "AOLTW Location Names"); subject, however to the continued satisfaction of the following conditions (the "Initial Naming Conditions") and the further provisions of this Section 1.6: (a) AOLTW (or its affiliates) occupies (or intends to occupy, prior to the initial occupancy of the Time Warner Unit) not less than 350,000 square feet in the Time Warner Unit (as the same may be constituted at the time in question); and (b) AOLTW (or its affiliates) occupies (or intends to occupy, prior to the initial occupancy of the Time Warner Unit) the Time Warner Unit (as the same may be constituted at the time in question) or portions thereof as its primary executive world headquarters. Notwithstanding the foregoing, if AOLTW shall change its corporate name prior to the termination of the license granted pursuant to Section 1.6.2 below, then the Condominium Name and Building Name shall (subject to Section 1.6.1(ii) below) be changed to such other conforming names selected by AOLTW and reasonably approved by the Condominium Board (provided that (x) such other conforming names shall not incorporate the name of any competitor of the flag holder of the Hotel Unit or of any Person whose principal business is owning and/or managing hotels and (y) such approval shall not be required for the name described in the second sentence of Section 1.02(i) of Declarant's Operating Agreement, as such agreement was in effect as of July 31, 2000), and such other name(s) shall thereafter be deemed to be the AOLTW Location Names for all purposes hereunder. For purposes of the Initial Naming Conditions (as used in this Section 1.6.1 and elsewhere in the Declaration (including Exhibit D hereof) and Condominium By-Laws), the Time Warner Unit shall be deemed to include any Unit(s) or portions thereof (other than a Residential Unit or all or any portion of the Garage Unit) occupied, at the time in question, by AOLTW and/or any affiliates thereof, whether or not physically or legally combined with the Time Warner Unit as originally constituted.

(ii) Upon (x) the failure of either of the Initial Naming Conditions (or both such conditions if the notice described in clause (i) of the first sentence of Section 1.6.4 below is not given), or any public announcement by or on behalf of AOLTW to the effect that either or both of the Initial Naming Conditions will not be satisfied in the future, or (y) the termination (pursuant to clause (i) of the first sentence of Section 1.6.4 below) of the license granted pursuant to Section 1.6.2 below, the Condominium Board may, in its sole discretion (in the case of clause (x) of this sentence), and must (in the case of clause (y) of this sentence), adopt a new Condominium Name and a new Building Name, which names shall not: (1) include the words "AOL Time Warner," "Time Warner," "AOL," or any other corporate name that becomes part of any Condominium Name or Building Name selected in accordance with the second sentence of Section 1.6.1(i) above; (2) incorporate the name of any competitor of the flag holder of the Hotel Unit; or (3) incorporate the name of any Person whose principal business is owning and/or managing hotels. In such event, the Condominium Board shall also adopt, and seek to cause the United States Postal Service (and the Manhattan Borough President and/or any such other or additional agency or authority or official as may have jurisdiction) to effect, a new address designation for the Property consistent with the name adopted for the Building and/or the Condominium (and the Time Warner Unit Owner may do the same with respect to the Time Warner Unit). The Condominium shall be the owner of such new names, and the Condominium shall license such new names (and permit sublicenses of such names) on substantially similar terms as the license and sublicenses provided for herein with respect to the AOLTW Location Names (unless the Condominium Board approves by Unanimous vote different terms).

1.6.2 License by AOLTW; No Competing Names. (i) AOLTW (which by executing this Declaration acknowledges its consent to the provisions of the Condominium Documents respecting the use of the AOLTW Location Names) on behalf of itself and its successors and assigns hereby grants to the Condominium, the Condominium Board and the Residential Boards (as each of the same may be constituted and/or organized from time to time) and to each current and future Unit Owner (all of the foregoing referred to as the "AOLTW Name Licensees"), a non-exclusive, non-transferable (except as hereinafter provided), irrevocable and perpetual (subject to the provisions of Section 1.6.4 below) license, including the right to sublicense (subject to the provisions of Section 1.6.3 below) without charge or fee, to use, display and publish the AOLTW Location Names (including, without limitation, as a location or address identifier (e.g., "The Palladium-AOL Time Warner Center," "The Palladium at AOL Time Warner Center" or "AOL Time Warner Center Garage") and as part of the Building Logo), but only in accordance with Section 1.6.7 hereof; provided, however, that (1) all uses pursuant to such license of the AOLTW Location Names in written materials must either be (x) as part of the Building Logo or in the same typeface as appears in the Building Logo, (y) in the predominant typeface of the applicable written material or in plain, non-stylized typeface, in each case as reasonably determined by the Condominium Board (and provided that if the Condominium Board determines that a particular typeface is plain and non-stylized, such determination cannot be revoked) or (z) consistent with style guidelines that may be jointly established from time to time by the Retail Unit Owner and the Time Warner Unit Owner (and provided that if any such guidelines are so jointly established they cannot be revoked), and (2) all uses of the AOLTW Location Names on, or as a part of, products, goods and items for sale shall be a proper use of such license only if the applicable product, good or item also includes a reference to the name of a Unit or Occupant thereof, or a business being operated at a Unit or by an Occupant (so that, for example, a tenant in the Retail Unit, or a gift shop in the Hotel Unit, can sell items (e.g. (and without limitation), coffee mugs) that say "[Name of tenant] at AOL Time Warner Center", "[Name of tenant] at The Palladium-AOL Time Warner Center" or "Mandarin Oriental New York at AOL Time Warner Center", but cannot sell items that say only "AOL Time Warner Center"). No use by any AOLTW Name Licensee of such license pursuant to clause (2) of the preceding sentence shall impose, or be deemed to impose, any liability on AOLTW (or any affiliate thereof) or on any other AOLTW Name Licensee with respect to the applicable product, good or item.

(ii) AOLTW, on behalf of itself and its successors and assigns, hereby covenants and agrees that until the license granted pursuant to this Section 1.6.2 is terminated (as set forth in Section 1.6.4 below) and for a period of two (2) years after any such termination, (x) no other building (or part thereof) or condominium (or part thereof) located in Manhattan shall have a "Headquarters Name" (as defined below) that uses the corporate names that are part of the AOLTW Location Names, or any parts of such corporate names and (y) it shall not install on any building in Manhattan, or permit to be installed on any building in Manhattan, any signage that includes a Headquarters Name that is prohibited under clause (x) of this sentence, provided that with respect to the AOLTW Location Names in effect as of the date hereof, only the corporate names "AOL Time Warner", "AOL" and "Time Warner" (but not "Warner," "Time" or any corporate name that includes "AOL" or "Time Warner" (e.g., "Time Warner Music")) shall be deemed to be part of the corporate name "AOL Time Warner." As used herein, "Headquarters Name" shall mean any name that uses a corporate name in any one of the following ways: (A) "[corporate name] Center", (B) "The [corporate name] [Building or Condominium]" or (C) "[corporate name] Headquarters", provided that with respect to the 2-year period after the license granted pursuant to this Section 1.6.2 has been terminated in accordance with Section 1.6.4 hereof, clauses (B) and (C) of this sentence shall not apply. Thus, with respect to the existing AOLTW Location Names, the Headquarters Names are (1) "AOL Time Warner Center"; (2) "AOL Center"; (3) "Time Warner Center"; (4) "The AOL Time Warner Building"; (5) "The AOL Building"; (6) "The Time Warner Building"; (7) "The AOL Time Warner Condominium"; (8) "The AOL Condominium"; (9) "The Time Warner Condominium"; (10) "AOL Time Warner Headquarters"; (11) "AOL Headquarters" and (12) "Time Warner Headquarters", provided that with respect to the 2-year period after the license granted pursuant to this Section 1.6.2 has been terminated, only the names listed in clauses (1) – (3) of this sentence are Headquarters Names with respect to the existing AOLTW Location Names.

1.6.3 Ownership of Names; Sublicenses. Except as provided above, any other proposed use by the AOLTW Name Licensees of the AOLTW Location Names must be approved in writing by AOLTW. The AOLTW Name Licensees hereby acknowledge and agree that subject to the license granted in Section 1.6.2 above: (i) all uses of the AOLTW Location Names hereunder inure solely to the benefit of AOLTW; (ii) the AOLTW Location Names will at all times remain the exclusive property of AOLTW; (iii) nothing in the Condominium Documents shall confer upon the AOLTW Name Licensees any right of ownership in the AOLTW Location Names; and (iv) the AOLTW Name Licensees shall not now or in the future contest AOLTW's ownership or the validity of the AOLTW Location Names or take any action impairing the rights of AOLTW in the AOLTW Location Names, including, without limitation, seeking to register any of the AOLTW Location Names as part of a composite mark or to register any confusingly similar mark or name. Notwithstanding anything hereinabove provided, each AOLTW Name Licensee may sublicense such AOLTW Name Licensee's rights granted under Section 1.6.2 to its Occupants and others involved in the business and operations being conducted within a Unit or by its Occupants including, without limitation, agents, managers, consultants, partners and co-venturers of, and joint marketers with, such AOLTW Name Licensee and its Occupants, provided, and only if any such sublicense provides, that such sublicensee shall use the AOLTW Location Names only within the scope of and pursuant to the terms of the license herein provided. Nothing in the preceding sentence is meant to require that a sublicense be granted to Persons who, without a sublicense, can legally use the AOLTW Location Names in connection with the use thereof by an AOLTW Name Licensee (e.g., printers).

1.6.4 Termination of License. The license and right to use the AOLTW Location Names as described above shall terminate (i) one hundred twenty (120) days after both the Initial Naming Conditions are no longer satisfied and AOLTW notifies the Condominium Board in writing of such failure and that AOLTW wishes such license and right to use to terminate; or (ii) upon the adoption by the Condominium Board of a new Condominium Name and Building Name pursuant to clause (x) of the first

sentence of Section 1.6.1(ii) above, whichever is earlier. The Time Warner Unit Owner shall, immediately upon the failure of either of the Initial Naming Conditions, give written notice to the Condominium Board of the same, provided that the giving of such notice shall not be required in order for the Condominium Board to exercise its rights pursuant to clause (x) of the first sentence of Section 1.6.1(ii) above with respect to changing the Building Name and the Condominium Name.

1.6.5 Building Logo. (i) As of the recording of this Declaration, Declarant (x) is the sole owner of all right, title and interest in and to the logo(s) shown in Exhibit C (the "Building Logo"), except for the AOLTW Location Names to the extent used therein (which use is subject to the license granted pursuant to Section 1.6.2 above), and (y) hereby assigns, effective as of the recording of this Declaration, to the Condominium Board all such right, title and interest. Pursuant to such assignment, from and after the date hereof, the Condominium Board shall be the sole owner of the Building Logo, except for the AOLTW Location Names to the extent used therein (which use is subject to the license granted pursuant to Section 1.6.2 above), and hereby grants to the Residential Boards (as the same may be constituted and/or organized from time to time), and each current and future Unit Owner (collectively, the "Logo Licensees") a non-exclusive, non-transferable, irrevocable and perpetual license on customary terms, including the right to sublicense (subject to the remaining provisions of this Section 1.6.5), to use, display and publish the Building Logo, provided that: (a) all uses shall be consistent with Project Standards; (b) all uses on, or as a part of, products, goods and items for sale must comply with clause (2) of the first sentence of Section 1.6.2(i) above (and the second sentence of Section 1.6.2(i) above shall apply with respect thereto); (c) subject to such license, all uses of the Building Logo hereunder inure to the benefit of the Condominium Board; (d) subject to such license, the Building Logo will remain the exclusive property of the Condominium Board at all times; (e) nothing in the Condominium Documents shall confer upon the Logo Licensees any right of ownership in the Building Logo (other than as a result of any interest as a Unit Owner in the property of the Condominium Board); and (f) the Logo Licensees shall not now or in the future contest the Condominium Board's ownership or the validity of the Building Logo or take any action impairing the rights of the Condominium Board in the Building Logo, including, without limitation, seeking to register the Building Logo as part of a composite mark or to register any confusingly similar mark.

(ii) Each Logo Licensee may sublicense the Building Logo to its Occupants and others involved in the business and operations being conducted within a Unit or by its Occupants including, without limitation, agents, managers, consultants, partners and co-venturers of, and joint marketers with, such Logo Licensee and its Occupants, provided and only if any such sublicense provides that such sublicensee shall use the Building Logo only within the scope of and pursuant to the terms of the license herein provided. Nothing in the preceding sentence is meant to require that a sublicense be granted to Persons who, without a sublicense, can legally use the Building Logo in connection with the use thereof by a Logo Licensee (e.g., printers).

(iii) The license and sublicenses described in the foregoing provisions of this Section 1.6.5 cover each version of the Building Logo in its entirety, and is not meant to create any right in any Person to use any particular portion of any such version (e.g., the Building Name, as to which Sections 1.6.1 through 1.6.4 hereof and the rights to use granted therein apply).

1.6.6 Other Names. Notwithstanding the provisions of Section 1.6.1 above, if any individual Non-Residential Unit or either or both of the Residential Sections has or have an identifying name (including, but not limited to "One Central Park") without reference to the AOLTW Location Names (other than as a location identifier), the Non-Residential Unit Owner owning such Unit or the Residential Section(s) as the case may be, shall be free to use whatever name(s) such Unit Owner or Residential Section(s) or component designates for its/their Unit or Section(s) or component in its press

releases or publicly distributed materials or signage, and/or on its architectural drawings and renderings. The Unit Owners initially plan (but are not required) to use one or more of the following names: "One Central Park, South Tower" for the ST Residential Section; "One Central Park, North Tower" and/or "One Central Park at Mandarin Oriental Hotel" for the NT Residential Section; and "One Central Park" for the ST Residential Section alone or together with the NT Residential Section; "Palladium" and/or "Palladium at AOL Time Warner Center" for the Retail Unit; "Mandarin Oriental Hotel, New York" for the Hotel Unit; and "Jazz at Lincoln Center", "Rose Hall" and/or "Frederick P. Rose Hall" for the Performing Arts Unit. Each Non-Residential Unit Owner and Residential Board shall endeavor, in its marketing materials and public announcements, to use the names described in the preceding sentence when referring to any of the other Non-Residential Units and Residential Sections (or any replacement name selected by the applicable Non-Residential Unit Owner or Residential Section if the other Non-Residential Unit Owners and Residential Sections are notified of such new name), but shall not have any liability to any Person for any failure to comply with this sentence, which failure shall not be considered a default or breach hereunder for any purpose.

1.6.7 Use of Names. Notwithstanding the foregoing or any other provision hereof, all uses of (x) any Condominium Name or Building Name, (y) the Building Logo and (z) identifying names pursuant to Section 1.6.6 above, must be consistent with the Project Standards.

1.6.8 Enforcement. The terms of the license granted in Section 1.6.2(i), and the terms of the license granted in Section 1.6.5(i), may each be enforced by each of the Condominium Board and AOLTW, provided that (a) with respect to the license granted in Section 1.6.5(i), AOLTW shall only have enforcement rights with respect to the version of the Building Logo that includes the Building Name and (b) the exclusive remedy for any breach of either such license shall be an action for an injunction prohibiting the use, by the applicable licensee, that was in breach. The terms of any sublicense granted pursuant to Section 1.6.2(ii) or Section 1.6.5(ii) may be enforced by each of the applicable sublicensor, the Condominium Board and AOLTW, provided that (i) with respect to any sublicense granted under Section 1.6.5(ii), AOLTW shall only have enforcement rights with respect to the version of the Building Logo that includes the Building Name and (ii) the exclusive remedy for any breach of either such sublicense shall be an action for an injunction prohibiting the use, by the applicable sublicensee, that was in breach.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is that certain tract, plot, piece and parcel of land described in Schedule A annexed hereto and made a part hereof (the "Land"), situate, lying and being in the City, County and State of New York. The Land is owned, as of the date hereof, by Declarant in fee simple absolute and has an area of approximately 150,000 square feet.

ARTICLE 3

THE PROPERTY; UNIT OWNERS; STREET ADDRESSES

3.1 Sections; Areas. Included in the Property described in Article 1 is a building (the "Building") characterized by two towers atop a common base structure, which Building contains, in addition to the General Common Elements:

(i) the NT Residential Units located within the northern tower of the Building (such tower, the "North Tower") and designated as "Residential N – Tax Lot Nos. 1139-1204" on the Floor Plans; and the areas in the Building constituting the NT Residential Limited Common Elements (as described in Article 7 below) and/or designated as "Residential N Limited Common" on the Floor Plans;

(ii) the ST Residential Units (together with the NT Residential Units, the "Original Residential Units") located within the southern tower of the Building (such tower, the "South Tower") and designated as "Residential S – Tax Lot Nos. 1007-1138, 1205-1240" on the Floor Plans; and the areas in the Building constituting the ST Residential Limited Common Elements (as described in Article 7 below) and/or designated as "Residential S Limited Common" on the Floor Plans;

(iii) the areas designated as "Retail – Tax Lot No. 1002" on the Floor Plans (such areas, inclusive of the Great Room and gallerias, and exclusive of any General Common Elements contained therein, the "Retail Unit"); and the areas in the Building constituting the Retail Limited Common Elements (as described in Article 7 below) and/or designated as "Retail Limited Common" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, and together with the Retail Unit, collectively, the "Retail Area");

(iv) the areas designated as "Time Warner – Tax Lot No. 1004" on the Floor Plans (such areas exclusive of any General Common Elements contained therein, the "Time Warner Unit"); and the areas in the Building constituting the Time Warner Limited Common Elements (as described in Article 7 below) and/or designated as "AOLTW Limited Common" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, and together with the Time Warner Unit, collectively, the "Time Warner Area");

(v) the areas designated as "Hotel – Tax Lot No. 1006" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, the "Hotel Unit"); the areas in the Building constituting the Hotel Limited Common Elements and the Hotel/NT Residential Limited Common Elements (as described in Article 7 below) and/or designated as "Hotel Limited Common" and "Hotel/Residential N Limited Common" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, and together with the Hotel Unit, collectively, the "Hotel Area");

(vi) the areas designated as "Office – Tax Lot No. 1005" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, the "Office Unit"); and the areas in the Building constituting the Office Limited Common Elements (as described in Article 7 below) and/or designated as "Office Limited Common" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, and together with the Office Unit, collectively, the "Office Area");

(vii) the areas designated as "Performing Arts – Tax Lot No. 1003" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, the "Performing Arts Unit"); and the areas in the Building constituting the Performing Arts Limited Common Elements (as described in Article 7 below) and/or designated as "Performing Arts Limited Common" on the Floor Plans (such

areas, exclusive of any General Common Elements contained therein, and together with the Performing Arts Unit, collectively, the "Performing Arts Area"; and

(viii) the areas designated as "Garage – Tax Lot No. 1001" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, the "Garage Unit"); and the areas in the Building constituting the Garage Limited Common Elements (as described in Article 7 below) and/or designated as "Garage Limited Common" on the Floor Plans (such areas, exclusive of any General Common Elements contained therein, and together with the Garage Unit, collectively, the "Garage Area").

3.2 Residential Unit (Owner(s)); Non-Residential Unit (Owner(s)): The NT Residential Units, the ST Residential Units, the Retail Unit, the Time Warner Unit, the Hotel Unit, the Office Unit, the Performing Arts Unit and the Garage Unit (and any units resulting from any permitted subdivision or combination of such units, as provided herein) are sometimes herein collectively referred to as the "Units." Any one of the NT Residential Units or ST Residential Units (including any ST Residential Unit specially designated as a Suite Unit or Storage Unit, as described in Section 8.2.4 of this Declaration) is sometimes herein singly referred to as a "Residential Unit"; and any two or more of such units are referred to herein as "Residential Units." Each of the aforesaid Units other than the Residential Units is sometimes herein singly referred to as a "Non-Residential Unit" (unless and until such time, if any, that any such Non-Residential Unit is converted to one or more individual units for residential (which does not include transient hotel or "multi-family" or "multiple-dwelling" rental) use in accordance with all applicable Laws, the Restrictions Instrument and the applicable provisions of this Declaration and the Condominium By-Laws, after which time such Units shall be thereafter be referred to, and deemed for all purposes hereunder and under the Condominium By-Laws to be, Residential Units) and collectively are referred to herein as the "Non-Residential Units."

3.3 Street Addresses. Subject to the second sentence of Section 1.6.1(ii) above, the street address of the Property is AOL Time Warner Center, New York, New York 10019. As of the date hereof, the street address of (a) the Time Warner Unit is One AOL Time Warner Center, New York, New York 10019; (b) each of the NT Residential Section and the Hotel Unit is 80 Columbus Circle, New York, New York 10019; (c) the ST Residential Section is 25 Columbus Circle, New York, New York 10019; (d) the Retail Unit is 10 Columbus Circle, New York, New York 10019; (e) the Office Unit is 60 Columbus Circle, New York, New York 10019; (f) the Performing Arts Unit is 20 Columbus Circle, New York, New York 10019; and (g) the Garage Unit is 35 Columbus Circle, New York, New York 10019.

3.4 Management Office. From and after the date hereof until the 49th anniversary of the date hereof, the Condominium Board shall have the right to use, and permit its managing agent to use, as an office and on the terms set forth on Exhibit G hereto, that portion of the Retail Area located on Floor 3 of the Building and denoted on the Floor Plans as "Building Management Office." The Retail Unit Owner and the Condominium Board shall each use commercially reasonable efforts to agree upon, execute and deliver a lease covering such portion of the Retail Area and incorporating the terms of Exhibit G.

ARTICLE 4

THE BUILDING

The Building is classified as being of fireproof construction with reinforced concrete footings for columns and continuous footings for sheer walls and perimeter foundation walls; structural steel and concrete encased structural steel for columns and beams with concrete on metal deck for the podium and mid-rise levels, steel trusses and concrete encased steel trusses supporting the main mechanical rooms, and high rise cast-in-place concrete for the high rise North Tower and South Tower. It consists of 57 construction levels at or above grade and 3 construction levels below grade; however, all references in the Condominium Documents to a particular "Floor" or "Floors" of the Building, or of the North Tower or South Tower thereof, shall mean the floor(s) so designated on the Floor Plans. Such designations shall be subject to change in an Amendment to the Declaration (and/or the By-Laws and Floor Plans, as may be appropriate) made in accordance with Article 17 of the By-Laws, provided that such changed designation(s) comply at all times with all applicable Laws, Insurance Requirements and the Restrictions Instrument; and further provided that in no event shall any such changed designation(s) conflict or overlap with any Floor designations then in effect.

ARTICLE 5

THE UNITS; THE BUILDING PROW

5.1 The Units.

5.1.1 General. The location of each Unit is shown on and is governed by the floor plans of the Building certified by Ismael Leyva Architects P.C., intended to be filed in the New York County office of the Register of The City of New York (the "City Register's Office") simultaneously with the recording of this Declaration (such plans, as the same may be amended from time to time in accordance with this Declaration and the Condominium By-Laws, the "Floor Plans").

5.1.2 Non-Residential Units. Schedule B-1 annexed hereto and made a part hereof sets forth the following supplementary data with respect to each Non-Residential Unit necessary for the further proper identification thereof: Unit designation; tax lot number; statement of location; approximate square foot area; and the proportionate, undivided interest in fee simple absolute (expressed as a percentage) in the Common Elements (the "Common Interest") appurtenant to such Unit.

5.2 Residential Units. Schedules B-2 and B-3 annexed hereto and made a part hereof set forth with respect to each of the NT Residential Units and ST Residential Units, respectively, such categories of supplementary data described in Section 5.1.2 above, together with the additional categories "direction faced"; "the portions of the Common Elements to which the Unit has immediate access"; and "number of rooms" for each such Residential Unit.

5.3 Building Prow; Prow Purchase Option.

5.3.1 The Building Prow is shown on the Floor Plans (as initially filed) as being included in and forming a part of the Time Warner Unit; and, unless and until conveyed to the Retail Unit Owner pursuant to the Prow Purchase Option Agreement, shall remain a part of the Time Warner Unit. The content and use of the Building Prow shall be governed by Sections 6.2.5 (and the Building Prow

Guidelines referred to therein) and 8.1.1 of the Condominium By-Laws and as may otherwise be provided in the Condominium Documents.

5.3.2 The Time Warner Unit Owner and Retail Unit Owner agree that, at such time as the Time Warner Unit is distributed to the Time Warner Unit Owner, they shall execute and deliver a Prow Purchase Option Agreement (the "Prow Purchase Option Agreement") in the form that has been previously agreed to. From and after such execution and delivery, the Building Prow shall be subject to the Prow Purchase Option Agreement and to the purchase option described therein (the "Prow Purchase Option") in favor of the Retail Unit Owner.

5.3.3 In the event the Building Prow is subdivided from the Time Warner Unit and conveyed to the Retail Unit Owner, from and after such conveyance (a) the Time Warner Unit Owner shall cause the Time Warner Systems and other Equipment which served the Building Prow prior to such conveyance to continue to serve the Building Prow in a similar manner and (b) the owner of the Building Prow shall, promptly on demand (but not more frequently than monthly), reimburse the Time Warner Unit Owner for the Applicable Prow Percentage (as defined below) of the costs of maintaining, operating, insuring, and performing Repairs (whether capital, structural or non-structural) and Alterations to, such Time Warner Systems and other Equipment (such costs, the "Prow Equipment Costs"), but excluding in all events (x) the costs of discretionary Repairs and Alterations that are not necessary or appropriate to cause such systems and equipment to be able to properly serve the Building Prow and the Time Warner Unit (as constituted as of the date hereof) in the manner and capacities for which such systems and equipment were originally constructed and installed and (y) all Prow Equipment Costs to the extent made necessary or appropriate as a result of Repairs and Alterations of the type described in the foregoing clause (x). As used herein, the "Applicable Prow Percentage" shall mean, for each calendar year, the Building Prow Owner's pro rata percentage share of the Prow Equipment Costs, based on actual usage (which may be determined by meters, surveys, actual loads and/or other methods, as appropriate and as may be set forth with more specificity in the Prow Purchase Option Agreement) of the Time Warner Systems and applicable other Equipment.

ARTICLE 6

DIMENSIONS OF UNITS; FLOOR AREA

6.1 Dimensions.

6.1.1 Non-Residential Units. (i) The boundaries of each of the Non-Residential Units consist of: (a) the area measured horizontally from the exterior face of the exterior construction or curtainwall system or the exterior side of any masonry or concrete column, shear wall or metal spandrel panel (perimeter concrete columns and perimeter mechanical pipes are not deducted) to the midpoint of the interior walls or partitions separating one Non-Residential Unit from another Unit or to the interior face of a shear wall or to the center line of a non-structural wall or partition separating a Non-Residential Unit from public corridors, stairs, elevators, and other mechanical equipment spaces or any General Common Elements or Limited Common Elements; subject however to the following: (1) where two Non-Residential Areas or a Non-Residential Area and an Original Residential Unit or Residential Limited Common Element are separated by a shear wall, the measurement is taken to the point where the Non-Residential Area (or Original Residential Unit or Residential Limited Common Element) enclosed by the shear wall includes the structural thickness of the shear wall to its exterior face and the Non-Residential Area (or Original Residential Unit or Residential Limited Common Element) not enclosed by the shear

wall is measured to include the furring and finishes on the exterior of that same shear wall; (2) where the boundaries between two Non-Residential Areas, or between a Non-Residential Area and an Original Residential Unit (or Residential Limited Common Element), or between a Non-Residential Area or Original Residential Unit (or Residential Limited Common Element) on the one hand and a General Common Element on the other hand are within the shear walls, then the measurement is to the centerline of a structural or shaftwall enclosure notwithstanding how such separation is actually constructed; (3) elevator shafts, stairways and mechanical shaftways vertically penetrating the boundaries of a Non-Residential Area are measured to include the enclosing walls; and (4) a corridor adjacent to a Non-Residential Area is measured to such corridor's inside face; and (b) the volume measured vertically from the top of the concrete floor slab below such Non-Residential Unit (located under any finished flooring and sub-floor materials) to the underside of the concrete floor slab above such Non-Residential Unit. The method of measurement is applicable to all such Non-Residential Units. Any Common Elements located within or appurtenant to any Non-Residential Unit shall not be considered as part of that Non-Residential Unit.

(ii) Each Non-Residential Unit includes all fixtures, Equipment and other items of personalty as may be contained in, or affixed, attached or appurtenant to such Unit other than as may constitute part of the General Common Elements, Limited Common Elements and/or Building Systems, as described in the Condominium Documents.

6.1.2 Original Residential Units. The boundaries of each of the Original Residential Units consists of the area measured horizontally from the exterior side of the curtain wall to the centerlines of the dry-wall partitions separating an Original Residential Unit from any other Units, public corridors or mechanical equipment spaces, or to the face of the concrete shear walls of the elevators/stairs core which are adjoining the Unit, or any Common Elements or Residential Limited Common Elements (where a shear wall separates two Original Residential Units, for measurement purposes, the centerline of the common shear wall is used); and measured vertically, the volume from the top of the concrete floor slab below (located under the finished flooring and sub-floor materials) to the underside of the concrete floor slab above. Any Common Elements located within or appurtenant to any Original Residential Unit shall not be considered as part of that Unit (except to the extent expressly provided to the contrary for specific purposes and/or provisions hereof).

6.2 Floor Area.

6.2.1 Residential Sections. The NT Residential Section and the ST Residential Section, collectively, shall initially have allocated to them 707,791 square feet of Floor Area. Subject to the provisions of Section 8.1 of the Condominium By-Laws, the Initial Residential Grantee and/or the applicable Residential Board(s) may alter the NT Residential Section and/or the ST Residential Section (or elements within one or both of such Residential Sections), as the case may be, in a manner that affects the calculation of Floor Area within (only) the Residential Sections (and/or may cause the Residential Board(s), each with respect to its applicable Residential Section to do so), provided that the NT Residential Section and the ST Residential Section, collectively, shall in no event exceed 707,791 square feet of Floor Area in the aggregate, except to the extent otherwise permitted under the Restrictions Instrument.

6.2.2 Retail Area. The Retail Area shall initially have allocated to it 375,651 square feet of Floor Area. Subject to compliance with the provisions of this Declaration and the Condominium By-Laws applicable to Alterations, the Retail Unit Owner may alter the Retail Area (or elements within such area) in a manner that affects the calculation of Floor Area within the Retail Area (and only the

Retail Area), provided that the Retail Area shall in no event exceed 375,651 square feet of Floor Area in the aggregate, except to the extent otherwise permitted under the Restrictions Instrument.

6.2.3 Hotel Area. The Hotel Area shall initially have allocated to it 231,658 square feet of Floor Area. Subject to compliance with the provisions of this Declaration and the Condominium By-Laws applicable to Alterations, the Hotel Unit Owner may alter the Hotel Area (or elements within such area) in a manner that affects the calculation of Floor Area within the Hotel Area (and only the Hotel Area), provided that the Hotel Area shall in no event exceed 231,658 square feet of Floor Area in the aggregate, except to the extent otherwise permitted under the Restrictions Instrument.

6.2.4 Time Warner Area. The Time Warner Area shall initially have allocated to it 712,419 square feet of Floor Area. Subject to compliance with the provisions of this Declaration and the Condominium By-Laws applicable to Alterations, the Time Warner Unit Owner may alter the Time Warner Area (or elements within such areas) in a manner that affects the calculation of Floor Area within the Time Warner Area (and only the Time Warner Area), provided that the Time Warner Area shall in no event exceed 712,419 square feet of Floor Area in the aggregate, except to the extent otherwise permitted under the Restrictions Instrument.

6.2.5 Office Area. The Office Area shall initially have allocated to it _____ square feet of Floor Area. Subject to compliance with the provisions of this Declaration and the Condominium By-Laws applicable to Alterations, the Office Unit Owner may alter the Office Area (or elements within such areas) in a manner that affects the calculation of Floor Area within the Office Area (and only the Office Area), provided that the Office Area shall in no event exceed _____ square feet of Floor Area in the aggregate, except to the extent otherwise permitted under the Restrictions Instrument.

6.2.6 Garage Area. The Garage Area shall initially have allocated to it zero square feet of Floor Area. Subject to compliance with the provisions of this Declaration and the Condominium By-Laws applicable to Alterations, the Garage Unit Owner may alter the Garage Area (or elements within such areas) in a manner that affects the calculation of Floor Area within the Garage Area (and only the Garage Area), provided that the Garage Area shall in no event exceed zero square feet of Floor Area in the aggregate, except to the extent otherwise permitted under the Restrictions Instrument.

6.2.7 Performing Arts Area. The Performing Arts Area shall initially have allocated to it 101,000 square feet of Floor Area. Subject to compliance with the provisions of this Declaration and the Condominium By-Laws applicable to Alterations, the Performing Arts Unit Owner may alter the Performing Arts Area (or elements within such areas) in a manner that affects the calculation of Floor Area within the Performing Arts Area (and only the Performing Arts Area), provided that the Performing Arts Area shall in no event exceed 101,000 square feet of Floor Area in the aggregate, except to the extent otherwise permitted under the Restrictions Instrument.

6.2.8 Changes in Floor Area Allocations. The allocations of Floor Area reflected in the preceding provisions of this Section 6.2 represent the initial allocation among the Non-Residential Areas and Residential Sections of the aggregate Floor Area of the Building. In the event a Board other than the Condominium Board, or Non-Residential Unit Owner, shall (to the extent permitted in the Condominium Documents) acquire all or any portion of another Residential Section and/or Non-Residential Area, as the case may be, subject to all applicable Laws and the Restrictions Instrument and the applicable provisions of the Condominium Documents, the space so acquired shall be deemed to be part of the Section or Area, as the case may be, of the Person having acquired it and the Floor Area attributable to such space (in an amount to be agreed upon by the parties to such transaction) shall, in such case, be added to the Floor Area of the acquiring Person (and deducted from the Floor Area of the Person

so conveying such space). The Person having acquired such space and seeking to change its designation shall be responsible, at its sole cost and expense, for causing the Floor Plans to be amended to reflect such change (such amendment to be effected in accordance with the terms of the Condominium Documents).

ARTICLE 7

COMMON ELEMENTS

7.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Building and improvements thereon, other than the Units. The Common Elements are comprised of the General Common Elements, the NT Residential Limited Common Elements, the ST Residential Limited Common Elements, the Retail Limited Common Elements, the Time Warner Limited Common Elements, the Hotel Limited Common Elements, the Office Limited Common Elements, the Performing Arts Limited Common Elements, the Garage Limited Common Elements and the Hotel/NT Residential Limited Common Elements, all of which are described in Sections 7.2 through 7.11 of this Article 7, respectively, subject in all events however to any specific designation for any portion of the Property as may be reflected on the Floor Plans (whether or not consistent with the general descriptions contained in this Article).

7.2 The General Common Elements include those portions of the Building that are designated as "General Common Elements" on the Floor Plans and, to the extent not specifically identified as part of the General Common Elements on the Floor Plans, all other parts of the Property (other than those areas and items specifically identified as part of a Unit and/or the Limited Common Elements) the common use of which is necessary or convenient for the existence, maintenance, operation or safety of the Property.¹ More specifically, the General Common Elements consist of the following (whether or not covered by the preceding sentence):

(i) the Land, together with all easements, rights, and privileges appurtenant thereto and including, without limitation, the entrance to the subway station to be maintained pursuant to the Subway Maintenance Agreement (to the extent such entrance lies within the boundaries of the Land);

(ii) the Building Systems;

¹ As is set forth in more detail in Section 15.13 of this Declaration, certain Roofs (or portions thereof) and certain portions of the Loading Dock, while considered General Common Elements because their existence is necessary and/or convenient for the maintenance, operation and/or safety of the Property as a whole, are nevertheless subject to specific easements for exclusive use in favor of certain Unit Owners and are therefore designated as "Exclusive Use General Common Elements." Conversely, "Limited Common Elements" (which are described in the further provisions of this Article 7) as to which certain Unit Owners also have exclusive rights are not, or are significantly less, necessary and/or convenient for the maintenance, operation and/or safety of the Property as a whole. Because of this difference, the Condominium Board is responsible for insuring and (in the event of a casualty) rebuilding Exclusive Use General Common Elements, while each Unit Owner is responsible for insuring and rebuilding the Limited Common Elements appurtenant to its Unit. This footnote is meant to assist and guide the readers of this Declaration, but is not meant to, and shall not be deemed to, modify, amend or nullify any of the provisions of the Condominium Documents.

(iii) the Roofs;

(iv) structures on or above the Roofs (including, but not limited to, enclosed and non-enclosed machine rooms, elevator machine rooms, electrical equipment rooms, cooling towers (which serve two or more Units other than exclusively Residential Units) and structural support and framing therefor, window washing equipment, architectural lighting elements, water tanks, condenser water riser systems (except to the extent any of the foregoing constitute part of the Time Warner Systems); but excluding any Roof Telecom Platforms (as hereinafter defined) and any control, machine, equipment or similar rooms therefor and any Equipment located thereon or therein with respect to such Roof Telecom Platforms;

(v) the structural elements, foundations and foundation walls of the Building, whether or not located within any of the Units, including without limitation:

(a) the exterior curtainwall system of the Building (including the Building Prow), including the glass or concealed block work or concealed structural members of said exterior curtain wall system and also including, without limitation, the interior portion of mullion window frames;

(b) the "Great Wall" (i.e., the glass wall facing Columbus Circle that encloses portions of the Great Room and surrounds the Performing Arts Unit's own glass wall, extending from Floor 1 to Floor 10) and the end caps of the exterior wall of the Building;

(c) the glass wall that fronts on The Allen Room portion of the Performing Arts Unit and that separates the Performing Arts Area from the Retail Area;

(d) the footings, columns, girders, beams, supports, concrete floor slabs, elevator cores (and the interior of elevator cores, unless otherwise indicated on the Floor Plans), and other structural walls and members of the Building;

(e) walls (and the components and surfaces thereof) surrounding elevator shafts; and

(f) the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, except to the extent the area within an elevator shaft is shown on the Floor Plans as other than a General Common Element, in which case such elevator cabs, overruns, bulkheads, shafts (other than the walls surrounding the same), pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith shall constitute part of the Limited Common Element or Unit, as the case may be, shown on the Floor Plans;

(vi) all storm drains, leaders and gutters appurtenant to the Building;

(vii) all doors and exterior surfaces of all walls separating a Non-Residential Unit or Residential Section, as the case may be, from any General Common Element;

(viii) those stairs, stairways, fire stairways, halls, passages, corridors, landings and lobbies in the Building shown on the Floor Plans as General Common Elements;

(ix) the Loading Dock, subject, however, to: (A) an exclusive, perpetual easement in favor of the Time Warner Unit Owner to use (but not Alter or Repair) that portion of the Loading Dock as

is indicated on the Floor Plans as being subject to such easement; (B) an exclusive, perpetual easement in favor of the Residential Unit Owners, Residential Boards and Non-Residential Unit Owners (other than the Time Warner Unit Owner or such other Unit Owner(s) as may, from time to time, share in the Time Warner Unit Owner's loading dock easement area), to the exclusion of the Time Warner Unit Owner (and such other sharing Unit Owner(s), as applicable), to use that portion of the Loading Dock as is indicated on the Floor Plans as being subject to such easement; and (C) the provisions of Article 15 of this Declaration; and

(x) whether or not specifically identified as part of the General Common Elements (or identified at all) on the Floor Plans, all other parts of the Property and all Equipment existing in the Building or on the Property (other than those areas and items specifically identified on the Floor Plans as part of a Unit and/or Limited Common Elements) the common use of and/or benefit from which is necessary or convenient for the existence, maintenance, operation or safety of the Property.

7.3 The NT Residential Limited Common Elements consist of those portions of the Property designated on the Floor Plans as NT Residential Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations and Exclusive Use General Common Elements) which exclusively serve or exclusively benefit all or a combination of the NT Residential Units or the NT Residential Unit Owners whether or not designated as NT Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The NT Residential Limited Common Elements include, without limitation, the following:

(i) to the extent shown on the Floor Plans as NT Residential Limited Common Elements, the North Tower residential lobby and entrance, and accessway to North Tower high rise elevators; North Tower service entrance and accessway to North Tower service elevators, all located on the Ground Floor at West 60th Street;

(ii) any elevators serving the NT Residential Section which are shown on the Floor Plans as NT Residential Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors and control equipment in connection therewith) which serve the NT Residential Section but which are shown on the Floor Plans as a Common Element (but not an NT Residential Limited Common Element) or as part of a Unit;

(iii) the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the NT Residential Section and/or on which the NT Residential Units are located, whether or not specifically identified on the Floor Plans as part of the NT Residential Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

(iv) those stairs and stairways in the Building shown on the Floor Plans as NT Residential Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(v) the Direct Broadcasting Satellite (DBS) dish erected (at the NT Residential Board's option, and pursuant to the rights granted in Section 15.9 of the Declaration) by or for the NT Residential Board on the roof of the North Tower and any Equipment in connection therewith;

(vi) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits all or a combination of the NT Residential Units or the NT Residential Unit Owners; and

(vii) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to the NT Residential Section.

7.4 The ST Residential Limited Common Elements consist of those portions of the Property designated on the Floor Plans as ST Residential Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations and Exclusive Use General Common Elements) which exclusively serve or exclusively benefit all or a combination of the ST Residential Units or the ST Residential Unit Owners whether or not designated as ST Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The ST Residential Limited Common Elements include, without limitation, the following:

(i) the South Tower residential lobby and entrance, and accessway to the South Tower high rise elevators, South Tower service entrance and accessway to South Tower service elevators, all located on the Ground Floor at West 58th Street, to the extent shown on the Floor Plans;

(ii) any passenger or service elevators serving the ST Residential Section which are shown on the Floor Plans as ST Residential Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith) which serve the ST Residential Section but which are shown on the Floor Plans as a Common Element (but not an ST Residential Limited Common Element) or as part of a Unit;

(iii) the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the ST Residential Section and/or on which the ST Residential Units are located, whether or not specifically identified on the Floor Plans as part of the ST Residential Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

(iv) those stairs and stairways in the Building shown on the Floor Plans as ST Residential Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(v) the South Tower residential public areas located on Floor 51 of the South Tower, including, without limitation, the fitness facility, recreation area, family center, children's room, screening room, library, lounge, dining room, bar and catering kitchen, and laundry room, but excluding the outdoor

terrace (which terrace is a General Common Element subject to an exclusive easement collectively in favor of the ST Residential Unit Owners);

(vi) the South Tower service elevator (S-4) (subject to the general easements with respect to Limited Common Elements set forth in Article 15 of this Declaration);

(vii) the Direct Broadcasting Satellite (DBS) dish erected (at the ST Residential Board's option, and pursuant to the rights granted in Section 15.9 of the Declaration) by or for the ST Residential Board on the roof of the South Tower and any Equipment in connection therewith;

(viii) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits all or a combination of the ST Residential Units or the ST Residential Unit Owners; and

(ix) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to the ST Residential Section.

7.5 The Retail Limited Common Elements of the Condominium consist of those portions of the Property designated on the Floor Plans as Retail Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations and Exclusive Use General Common Elements) which exclusively serve or exclusively benefit the Retail Unit or the Retail Unit Owner whether or not designated as Retail Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Retail Limited Common Elements include, without limitation, the following:

(i) any passenger or service elevators serving the Retail Area which are shown on the Floor Plans as Retail Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith) which serve the Retail Area but are shown on the Floor Plans as another Common Element or Unit;

(ii) the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the Retail Area, whether or not specifically identified on the Floor Plans as part of the Retail Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

(iii) those stairs and stairways in the Building shown on the Floor Plans as Retail Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(iv) escalator system connecting Floors C 1 through 4;

(v) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to the Retail Area; and

(vi) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits the Retail Area or the Retail Unit Owner.

7.6 The Time Warner Limited Common Elements of the Condominium consist of those portions of the Property designated on the Floor Plans as Time Warner Limited Common Elements; and also those Common Elements (other than (1) Exclusive Use General Common Elements and (2) vertical shaftways and penetrations that are not designated on the Floor Plans as Time Warner Limited Common Elements) which exclusively serve or exclusively benefit the Time Warner Unit or the Time Warner Unit Owner whether or not designated as Time Warner Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Time Warner Limited Common Elements include, without limitation, the following:

- (i) the Time Warner Systems;
- (ii) any passenger or service elevators serving the Time Warner Area which are shown on the Floor Plans as Time Warner Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith) which serve the Time Warner Area but are shown on the Floor Plans as another Common Element or as part of a Unit;
- (iii) the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the Time Warner Area, whether or not specifically identified on the Floor Plans as part of the Time Warner Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;
- (iv) those stairs and stairways in the Building shown on the Floor Plans as Time Warner Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);
- (v) the Roof Telecom Platform erected, to be erected, or which may be erected on the South Tower Roof by or on behalf of the Time Warner Unit Owner or its designee pursuant to the rights with respect thereto set forth in Section 15.9 hereof, and any Equipment in connection therewith;
- (vi) the service elevator (F-7) which serves the Time Warner Unit but also the Condominium Board and all other Unit Owners (subject to the general easements with respect to Limited Common Elements and the specific easements with respect to such elevator, all as set forth in Article 15 of this Declaration);
- (vii) the service elevator (S-29) which serves the Time Warner Unit but also the Condominium Board and the Office Unit Owner (subject to the general easements with respect to Limited Common Elements and the specific easements with respect to such elevator, all as set forth in Article 15 of this Declaration);
- (viii) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to the Time Warner Area; and

(ix) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits the Time Warner Area or the Time Warner Unit Owner.

7.7 The Hotel Limited Common Elements of the Condominium consist of those portions of the Property designated on the Floor Plans as Hotel Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations and Exclusive Use General Common Elements) which exclusively serve or exclusively benefit the Hotel Unit or the Hotel Unit Owner whether or not designated as Hotel Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Hotel Limited Common Elements include, without limitation, the following:

(i) any passenger or service elevators serving the Hotel Area which are shown on the Floor Plans as Hotel Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith) which serve the Hotel Area but are shown on the Floor Plans as another Common Element or as part of a Unit;

(ii) the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the Hotel Area, whether or not specifically identified on the Floor Plans as part of the Hotel Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

(iii) those stairs and stairways in the Building shown on the Floor Plans as Hotel Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(iv) the hotel ballroom and back-of-house kitchen of Floor C-2, and other hotel back-of-house spaces and facilities shown on the Floor Plans;

(v) to the extent shown on the Floor Plans as Hotel Limited Common Elements, the North Tower hotel lobby and entrance, and accessway to North Tower high rise elevators; North Tower service entrance and accessway to North Tower service elevators, all located on the Ground Floor at West 60th Street;

(vi) any Roof Telecom Platform erected (at the Hotel Unit Owner's option, and pursuant to the rights granted in Section 15.9 of the Declaration) by or for the Hotel Unit on the roof of the North Tower and any Equipment in connection therewith;

(vii) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to the Hotel Area; and

(viii) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits the Hotel Area or the Hotel Unit Owner.

7.8 The Office Limited Common Elements of the Condominium consist of those portions of the Property which are designated on the Floor Plans as Office Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations and Exclusive Use General Common Elements) which exclusively serve or exclusively benefit the Office Unit or the Office Unit Owner whether or not designated as Office Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Office Limited Common Elements include, without limitation, the following:

(i) any passenger or service elevators serving the Office Area which are shown on the Floor Plans as Office Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith) which serve the Office Area but are shown on the Floor Plans as another Common Element or Unit;

(ii) the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the Office Area, whether or not specifically identified on the Floor Plans as part of the Office Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

(iii) those stairs and stairways in the Building shown on the Floor Plans as Office Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(iv) the Roof Telecom Platforms erected, to be erected, or which may be erected on the Building Roofs by or on behalf of the Office Unit Owner or its designee pursuant to the rights with respect thereto set forth in Section 15.9 hereof, and any Equipment in connection therewith;

(v) the lobby area at Floor 3 on the northerly side of the Building which lobby serves both the Office Unit and the Time Warner Unit and their respective Occupants (subject to the general easements with respect to Limited Common Elements and the specific easements with respect to such lobby area all as set forth in Article 15 of this Declaration);

(vi) the passenger and service elevators which serve both the Office Unit and the Time Warner Unit and their respective Occupants (Elevators P-23, P-24, P-25, P-26, P-27, P-28, P-29 and P-77) (subject to the general easements with respect to Limited Common Elements and the specific easements with respect to such elevators all as set forth in Article 15 of this Declaration);

(vii) the lobby crossover area at Floor 3 on the north side of the Building which crossover area serves both the Office Unit and the Time Warner Unit and their respective Occupants (subject to the general easements with respect to Limited Common Elements and the specific easements with respect to such area all as set forth in Article 15 of this Declaration);

(viii) the mechanical room located on North Tower Floor 21 which mechanical room contains Equipment serving both the Office Unit and the Time Warner Unit (subject to the general easements with respect to Limited Common Elements and the specific easements with respect to such area all as set forth in Article 15 of this Declaration);

(ix) the mechanical room located on North Tower Floor 21M which mechanical room contains Equipment serving both the Office Unit and the Time Warner Unit but is shown on the Floor Plans as an Office Limited Common Element (subject to the general easements with respect to Limited Common Elements and the specific easements with respect to such area all as set forth in Article 15 of this Declaration);

(x) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to the Office Area; and

(xi) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits the Office Area or the Office Unit Owner.

7.9 The Performing Arts Limited Common Elements of the Condominium consist of those portions of the Property which are designated on the Floor Plans as Performing Arts Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations (excluding the "communications raceway" for the sole benefit of the Performing Arts Unit Owner that runs from the Ground Floor (west) to Floor 6, which is a Performing Arts Limited Common Element) and Exclusive Use General Common Elements) which exclusively serve or exclusively benefit the Performing Arts Unit or the Performing Arts Unit Owner whether or not designated as Performing Arts Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Performing Arts Limited Common Elements include, without limitation, the following:

(i) any passenger or service elevators serving the Performing Arts Area which are shown on the Floor Plans as Performing Arts Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors fans, compressor, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith) which serve the Performing Arts Area but are shown on the Floor Plans as another Common Element or Unit;

(ii) the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of the floors of the Building constituting the Performing Arts Area, whether or not specifically identified on the Floor Plans as part of the Performing Arts Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

(iii) those stairs and stairways in the Building, and the escalator from Floor 5 to Floor 6, shown on the Floor Plans as Performing Arts Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(iv) the PAU Dish and any Roof Telecom Platform to be erected (at the Performing Art Unit Owner's option, and pursuant to the rights granted in Section 15.9 of the Declaration), by or for the Performing Arts Unit on the roof of the North Tower;

(v) the ticket booths/box office facility for the Performing Arts Unit located on the Ground Floor;

(vi) dedicated Performing Arts Unit electrical and mechanical infrastructure on Floors 4 and 5;

(vii) the marquee identifying the Performing Arts Unit on the West 60th Street side of the Building, as may be shown on the Floor Plans;

(viii) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to the Performing Arts Area; and

(ix) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits the Performing Arts Area or the Performing Arts Unit Owner.

7.10 The Garage Limited Common Elements of the Condominium consist of those portions of the Property which are designated on the Floor Plans as Garage Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations and Exclusive Use General Common Elements) which exclusively serve or exclusively benefit the Garage Unit or the Garage Unit Owner whether or not designated as Garage Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). More specifically, the Garage Limited Common Elements include, without limitation, the following:

(i) any passenger or service elevators serving the Garage Area which are shown on the Floor Plans as Garage Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements) and excluding those passenger and service elevators (together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors fans, compressors, control and other related equipment in connection therewith) which serve the Garage Area but are shown on the Floor Plans as another Common Element or Unit;

(ii) the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the Garage Area, whether or not specifically identified on the Floor Plans as part of the Garage Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

(iii) those stairs and stairways in the Building shown on the Floor Plans as Garage Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(iv) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to the Garage Area; and

(v) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits the Garage Area or the Garage Unit Owner.

7.11 The Hotel/NT Residential Limited Common Elements of the Property consist of:

(i) the lobby area at Floor GFE on the northerly side of the Building which is shown on the Floor Plans as a Hotel/NT Residential Limited Common Element (the "Shared Hotel Lobby");

(ii) the entry/hallway at Floor 3 leading to and from the Retail Area and shown on the Floor Plans as a Hotel/NT Residential Limited Common Element;

(iii) the entrance and service entrance at Floor GFE on the northerly side of the Building shown on the Floor Plans as a Hotel/NT Residential Limited Common Element;

(iv) the shared Hotel Unit/NT Residential Section marquee, which marquee is described in the Signage Guidelines; and

(v) the North Tower service elevator (S-43) which serves both the Hotel Unit and the NT Residential Section;

Notwithstanding the fact that the Hotel/NT Residential Limited Common Elements are part of the Hotel Area, but subject to Section 15.14.3 hereof, the Hotel Unit Owner, on the one hand, and the NT Residential Unit Owners (collectively), on the other hand, each has an undivided 50% ownership interest in the Hotel/NT Residential Limited Common Elements. Supplementing the foregoing, and subject to Section 15.14.3 hereof, each of the Hotel Unit Owner and the NT Residential Unit Owners shall have all rights and powers with respect to the Hotel/NT Residential Limited Common Elements (including, without limitation, rights to use) that a Unit Owner has hereunder and under the Condominium By-Laws with respect to its appurtenant Limited Common Elements.

ARTICLE 8

USE OF UNITS AND COMMON ELEMENTS; RESTRICTIONS INSTRUMENT

8.1 Use of Non-Residential Units.

8.1.1 General. Subject to the terms of the Restrictions Instrument and the provisions hereof and of the Condominium By-Laws, each of the Non-Residential Units may be used for any lawful non-hazardous purpose, including, without limitation (but in each case only to the extent permitted by applicable Laws), for retail, public event, restaurant, banking, commercial, broadcasting, entertainment, telecommunications, hotel, office, performing arts, garage, residential and utility purposes, provided that: (i) for so long as: (a) the Hotel Unit is being used for transient hotel purposes, no other Non-Residential Unit Owner or (subject to Section 8.2 below) Residential Unit Owner may utilize its Area or Section for transient hotel purposes unless the Hotel Unit Owner otherwise consents (in its sole discretion) in writing; (b) the Retail Unit is being used for retail purposes (which may include, without limitation, retail, public event, restaurant, banking and commercial use), no other Non-Residential Unit Owner may (unless the Retail Unit Owner otherwise consents (in its sole discretion) in writing) utilize its Area for retail purposes (other than for (1) minor kiosks and newspaper stands (not to exceed 250 square feet in the aggregate); (2) ancillary office-related, performing arts-related or hotel-related retail (e.g., sundry shop, business center); (3) broadcast/studio-related retail (i.e., CNN studio gift shop) not to exceed 800 square feet in the aggregate; and (4) restaurant uses); (ii) only the Garage Unit may be used for garage purposes unless the Garage Unit Owner otherwise consents (in its sole discretion) in writing; (iii) the Hotel Unit shall be

operated as a luxury hotel for a period of three (3) years following the opening of the hotel therein, but only for so long as, during such three-year period, AOLTW (or its affiliates) occupies (or intends to occupy, prior to the initial occupancy of the Time Warner Unit) the Time Warner Unit (or portions thereof, as the same may be constituted at the time in question) as its (or their) primary executive world headquarters; provided, however, that the requirement to operate as a luxury hotel set forth in clause (iii) shall not apply from and after the date that any Hotel Unit lender acquires ownership of the Hotel Unit by foreclosure, deed-in-lieu of foreclosure or otherwise. For purposes of the preceding sentence, the term "luxury" means a world class hotel having operating, service and maintenance standards at least equal to those urban hotels rated "five-star" or "five diamond" by rating services, such as Mobil Guide or AAA, generally accepted in the hotel industry; provided, however, that for so long as the hotel is generally operated in the manner in which "Mandarin Oriental" hotels are generally being operated at the time of the recording of this Declaration, the Hotel Unit shall be deemed to be in full compliance with such requirement; and (iv) the Performing Arts Unit shall be operated as a first-class facility for the performing arts consistent with the standards of quality associated with the programs and facilities of Lincoln Center for the Performing Arts, Inc. or the Lincoln Center performing arts complex as are in effect on the date of the recording of this Declaration; and in all cases, performance programs (consistent with such required standards of quality) shall be undertaken by the Unit Owner thereof for at least approximately six (6) months per year (unless, as to such six (6) month obligation, the Condominium Board or its nominee or a Registered Mortgagee or its nominee, if permitted under the Restrictions Instrument, shall become the Unit Owner thereof). The foregoing standard of operation for the Performing Arts Unit is intended to establish a general cumulative standard of quality and operation and is not intended to grant to any Person any right to approve specific performances, programming or events therein, or to make any specific artistic or programmatic judgments with respect to the Performing Arts Unit or any specific performances, programs or events scheduled or presented therein. The Performing Arts Unit must also be used in compliance with the terms of the Restrictions Instrument. Notwithstanding any other provision hereof, the exclusive remedy (x) for a breach of the obligations of the Performing Arts Unit Owner to perform the "Fit-Out" (as defined in the Performing Arts Development Agreement) and to comply with Section 8.1.1(iv) above, and (y) a breach of the obligations of the Hotel Unit Owner under Section 8.1.1(iii) above, shall be an action for specific performance or for an injunction by the Condominium Board (and no Person other than the Condominium Board shall have any right to enforce any such obligations except, in the case of clause (x) of this sentence, the City under the Restrictions Instrument and/or separate agreements with the Performing Arts Unit Owner). Subject to the foregoing restraints, a Non-Residential Unit Owner may lease or license all or any portion of its Non-Residential Unit to one or more lessees (or may permit Occupants or Permittees to use all or any portion of its Non-Residential Unit) so long as the uses thereof are in conformance with all Laws, the Restrictions Instrument and with this Declaration and the Condominium By-Laws.

8.1.2 Non-Competition Requirements. Notwithstanding the provisions of Section 8.1.1 and anything otherwise herein contained, the provisions of Exhibit D annexed hereto and made a part hereof shall apply and shall, only to the extent set forth in and pursuant to the terms of such Exhibit, constitute restrictions on the use of the Retail Unit, the Office Unit and the Time Warner Unit. Such restrictions shall be enforceable to the fullest extent permitted by law, and can be amended by the Retail Unit Owner, Office Unit Owner and Time Warner Unit Owner without the consent of any other Unit Owner or Person.

8.1.3 Broadcast Rights. (i) It is acknowledged and confirmed that as of the date of this Declaration, certain portions of the Retail Unit and Roofs (the "Broadcast Areas") are subject to the terms and conditions of that certain Broadcast Rights Agreement (the "Broadcast Rights Agreement"), dated as of July 31, 2001, by and between the Time Warner Unit Owner and the Retail Unit Owner,

which agreement provides the Time Warner Unit Owner with certain broadcast rights in respect of the Broadcast Areas, all as more fully set forth in such agreement.

(ii) The Time Warner Unit Owner hereby acknowledges that the rights granted to it (and AOLTW and its subsidiaries) in the Broadcast Rights Agreement continue only until either (A) the failure of either of the Initial Naming Conditions or (B) they are otherwise terminated in accordance with, and subject to the terms and conditions of, the Broadcast Rights Agreement.

(iii) The Time Warner Unit Owner hereby covenants that in the exercise of any of the rights granted to it (and AOLTW and its subsidiaries) in the Broadcast Rights Agreement, it shall not, to more than a de minimis extent, (x) obstruct or interfere with any entrance or exit in or to the Building or (y) in any respect curtail, adversely affect or interfere with the uses of the Roofs provided for in or contemplated by the Condominium Documents (including the uses contemplated by Section 15.9 hereof).

8.2 Use of Residential Units.

8.2.1 General. A Residential Unit may be used only for residential (which does not include transient hotel or "multi-family" rental) purposes and, subject to compliance with this Declaration, the Condominium By-Laws and the Residential By-Laws, as the case may be, for a lawful home occupation, as defined in the Zoning Resolution. Each such Residential Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic employees and/or non-paying guests of any of the foregoing. All references in this Section 8.2.1 to "permitted lessees" shall be deemed to include the requirement that the lease of such lessee be for a term of not less than thirty (30) days.

8.2.2 Short-Term Stays. Notwithstanding the foregoing Section 8.2.1, but subject to clauses (A) and (B) of the proviso following clause (vi) in Section 8.2.1, a Residential Unit Owner may permit its guests to use its Residential Unit (or any portion thereof) for short-term stays of less than thirty (30) day intervals as long as: (i) there is no advertising to the public of availability for the aforesaid short-term stays; and (ii) for so long as any portion of the Hotel Area is being operated as a hotel, there is no overall program for such short-term stays operated by or made available to any one or more of the Residential Unit Owners, unless provided through and with the consent of the Hotel Unit Owner in its sole discretion. Subject to the foregoing restrictions, the Residential Units may otherwise be leased but only in accordance with the applicable Residential By-Laws and Rules and Regulations.

8.2.3 Use of Unsold Original Residential Units. Notwithstanding the foregoing Section 8.2.1, the Initial Residential Grantee may, subject to the Restrictions Instrument, utilize any Unsold Original Residential Units for residential purposes and/or for any purposes permitted of, and

subject to the same conditions and restrictions set forth in the Condominium Documents on the use of, the Non-Residential Units. Such permitted uses include, but are not limited to, use as a sales and/or rental office in connection with the sale and/or lease of any Unsold Original Residential Units, subject only to compliance with Laws, and for residential lease to any party(ies), subject only to compliance with Laws and the restrictions set forth in Section 8.2.2 above.

8.2.4 ST Residential Units Specially Designated. The Initial Residential Grantee has designated and may designate from time to time (in an amendment to Schedules B-2 or B-3, as applicable, in connection with the subdivision or combination of Unsold Original Residential Units or otherwise, which amendment for the purposes described in this Section 8.2.4 may be effected without the consent of any Unit Owner, Board or other Person, but with prior written notice to the Condominium Board) certain of the ST Residential Units as "Suite Units" or as "Storage Units." Any owner or lessee of any such Suite Unit (or an Affiliate or immediate family member or other permitted Persons described in the ST Residential By-Laws, as amended from time to time) must also at all times be (if the owner of such Suite Unit) the owner, or (if the lessee of such Suite Unit) the lessee or owner, of an NT Residential Unit and/or an ST Residential Unit which is not a Suite Unit or Storage Unit, and any owner or lessee of any such Storage Unit so created must also at all times be (if the owner of such Storage Unit) the owner, or (if the lessee of such Storage Unit) the lessee or owner, of an ST Residential Unit which is not a Suite Unit or Storage Unit, provided, however that the foregoing restrictions shall not apply: (i) to the Initial Residential Grantee; (ii) to the Condominium Board or the ST Residential Board or either of such Boards' designees; or (iii) to the acquisition of a Suite Unit or Storage Unit pursuant to an action to foreclose a lien arising out of non-payment of real estate taxes or assessments or a mortgage encumbering such Suite Unit or Storage Unit, but, in each of (i), (ii) and (iii) above, shall apply to the subsequent sale or lease of such Suite Unit or Storage Unit by such person or entity acquiring such Unit in such a manner. The Initial Residential Grantee shall have the right at any time and from time to time, without the consent of the Condominium Board, any Residential Board, any Unit Owner or any Registered Mortgagee or Residential Mortgagee Representative, to amend the Declaration solely to effect the special designation of one or more Unsold Original Residential Units as one or more Suite Units and/or Storage Units; and upon such amendment of the Declaration, may, without any such consent (but subject to Section 17.1.3(b) of the Condominium By-Laws), amend the ST Residential By-Laws to provide additional terms and conditions regarding the purchase, sale, mortgage, leasing and use of any such Suite Units or Storage Units, but such Units shall in all events be subject to the restrictions on the use of Residential Units contained in this Declaration and the Condominium By-Laws.

8.3 Restrictions Instrument. Notwithstanding anything otherwise contained in any of the Condominium Documents to the contrary: (i) for so long as the Restrictions Instrument shall be in full force and effect, the Unit Owners and the Units shall be required to comply with same, to the extent applicable, and each Unit Owner shall not default thereunder, or permit a default to occur thereunder, by reason of its actions, with respect to the use of the Units or any other matter or thing set forth therein, to the extent applicable; and each and every reference in the Condominium Documents to the Restrictions Instrument shall mean, in each case whether or not so stated, the Restrictions Instrument to the extent (and only to the extent) the same remains in full force and effect at such time and with respect to the matter in question; and (ii) the Restrictions Instrument may only be amended by a Unanimous vote of the Condominium Board.

8.4 Use of Common Elements.

8.4.1 General. Except as otherwise provided in the Condominium Documents: (i) the General Common Elements may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited; and (ii) the Limited Common Elements and Exclusive

Use General Common Elements may be used only by the applicable Unit Owner(s) and Board(s) and only for (1) the same purposes for which the Units to which such Limited Common Elements and Exclusive Use General Common Elements pertain may be used, and (2) otherwise for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited.

8.4.2 Right to Use. Subject to any easements (exclusive or otherwise) and/or other rights provided in this Declaration with respect to the Common Elements, neither any Board nor any Unit Owner shall impede the other Unit Owners or anyone claiming by, through or under them (including, but not limited to, the Occupants of the Units and their respective invitees) from using the Common Elements.

8.5 General Provisions as to Use; Compliance with Legal Requirements; No Pornographic Materials, etc.

8.5.1 No nuisance shall be allowed in the Property, nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the Occupants of their respective Units.

8.5.2 No unlawful use shall be made of the Property or any portion thereof. Each Unit Owner shall use its Unit in compliance with the then applicable certificate of occupancy as may cover such Unit and in compliance with all applicable Laws.

8.5.3 In no event may all or any portion of the Property be used for any sex-related commercial establishment or massage parlor, or commercial establishment where pornographic material is displayed or obscene, nude or semi-nude performances are shown live or in a videotaped or other recorded format; provided, however, that subject to the provisions of the Condominium Documents: (i) a Non-Residential Unit Owner may use or lease its Unit: (a) for or to stores or newspaper or magazine vendors who may stock "adult" magazines, books or materials as an incidental part of such store's or vendor's business (provided such "adult" magazines, books or materials are discreetly displayed) and/or (b) cafes or store-fronts providing computer use or internet access (provided such services are not principally geared to providing access to pornographic sites); (ii) the Hotel Unit Owner may (1) operate or lease portions of its Unit to be used as a gym, health club, spa and/or salon which provides massage therapy in connection with such amenity/ies (provided that such massage area or facility is maintained in a reputable manner) and (2) offer unrestricted in-room media entertainment, computer use or internet access to hotel guests (provided (subject to the next sentence) that such services are not principally geared to providing access to pornographic sites); (iii) the Retail Unit Owner may operate or lease portions of its Unit to be used as a gym, health club, spa and/or salon which provides massage therapy in connection with such amenity/ies (provided that such massage area or facility is maintained and operated in a reputable manner); and (iv) provided the Performing Arts Unit is in compliance with Section 8.1.1(iv) above, the foregoing restrictions in this Section 8.5.3 shall not apply to activities within the Performing Arts Unit. The restriction set forth in the parenthetical clause of clause (ii)(2) of the preceding sentence shall not apply while the Hotel Unit is being operated as a first-class hotel.

8.6 Special Uses of Garage Unit.

8.6.1 By Hotel Users. For so long as both the Hotel Unit is being used for transient hotel purposes and the Garage Unit is being used as an automobile parking facility, ten (10) parking spaces in the Garage Unit shall be subject to reservation for use by the employees and guests of the Hotel Unit Owner, as the Hotel Unit Owner may designate from time to time. Such users shall be required to pay the parking rates established, from time to time, as the rate for parking spaces in the Garage Unit by

the Garage Unit Owner or the operator of the Garage Unit, as the case may be, provided that at all times such rates shall not exceed market rates. Such use of said parking spaces in the Garage Unit shall be subject to such reasonable rules and regulations promulgated, from time to time, by the Garage Unit Owner or the operator of the Garage Unit, as the case may be, and shall be subject to suspension in the event the Hotel Unit Owner or any such designated party/ies exercising the rights set forth in this Section 8.6.1 fails to pay parking charges or otherwise fails to comply with such rules and regulations until payment has been made or compliance has been achieved.

8.6.2 By Occupants and Permittees of the Time Warner Unit. The Garage Area and other portions of the Building have been designed to accommodate dedicated parking for the Occupants and Permittees of the Time Warner Unit, in a designated area (the "Reserved Garage Area") as shown on the Floor Plans. Such Occupants and Permittees shall have the right to exclusively use the Reserved Garage Area, and the Time Warner Unit Owner shall have the right to approve any alterations or changes to the Garage Unit (including, without limitation, any changes to the circulation patterns within the Garage Unit) that would materially adversely change or affect the Reserved Garage Area or the use thereof by such Occupants and Permittees, in all events provided that such use of all or any portion of the Reserved Garage Area and the Garage Unit shall be: (i) subject to such reasonable rules and regulations as are promulgated, from time to time, by the Garage Unit Owner or the operator of the Garage Unit, as the case may be; (ii) at rates with respect to the Reserved Garage Area determined, from time to time, by the Garage Unit Owner or the operator of the Garage Unit, provided that at all times such rates shall not exceed market rates; and (iii) subject to suspension in the event the Time Warner Unit Owner or any Person exercising the rights set forth in this Section 8.6.2 fails to pay parking charges or otherwise fails to comply with such rules and regulations until payment has been made or compliance has been achieved.

ARTICLE 9

INITIAL FIT-OUT OF AND CHANGES IN THE NON-RESIDENTIAL UNITS; SUBDIVISION OF THE NON-RESIDENTIAL UNITS

9.1 Initial Fit-Out. Notwithstanding anything to the contrary in Article 8 of the Condominium By-Laws, each Non-Residential Unit Owner shall have the right, without the vote or consent of any Board or any other Unit Owner or Person, but subject in each case to the Restrictions Instrument, all applicable Laws, Declarant's Operating Agreement and any Development Agreement (or other agreement with Declarant and/or the Developer) applicable to the construction or development of such Non-Residential Unit, to perform (which term, for the purposes of this Section, shall also include permit, cause and suffer) the development, design, construction and making of all initial installations, finishes, alterations, additions and improvements in or to, and equipping and fitting-out of, its respective Non-Residential Area (including, without limitation, performing structural or non-structural, interior or exterior, ordinary or extraordinary work): (a) with respect to the Time Warner Area, to the extent the same is within the scope of the "TWI Finish Work" (as defined in the Time Warner Development Agreement); (b) with respect to the Performing Arts Area, to the extent the same is within the scope of the "Fit-Out" (as defined in the Performing Arts Development Agreement); (c) with respect to the Hotel Area, the work pursuant to the "Construction Plans" (as defined in the Hotel Development Agreement) to the extent applicable to such Area; (d) with respect to the Garage Area, the Office Area and the Retail Area, to the extent applicable, in each case, to such Area, the work pursuant to the Construction Plans (as defined in the Sponsor Units Development Agreement); as well as: (i) with respect to the Retail Area and Office Area, such work, from time to time performed, in connection with the preparation of all or any portion thereof for initial use or initial occupancy by any intended Occupant thereof; and (ii) with respect

to the Garage Area, such work in connection with the preparation of all or any portion thereof as a parking facility (all of such work described in "(a)" through "(d)" above, the scope of which may be modified from time to time in accordance with the applicable documents, hereinafter the "Initial Fit-Out Work"). All Initial Fit-Out Work performed shall be subject to the documents and matters described in this Section and otherwise subject only to the Developer's rights with respect thereto granted in the applicable Development Agreements (which rights are hereby vested by Declarant, the Condominium Board, the Residential Boards and all Unit Owners in the Developer), including, without limitation and to the extent applicable, the right to review, approve, condition, consent to, monitor, coordinate and supervise such work.

9.2 Changes and Subdivision Other Than Initial Fit-Out Work. Subject in all events to the Restrictions Instrument and the penultimate sentence of this Section 9.2, each Non-Residential Unit Owner shall have the right, without the vote or consent of the Condominium Board, any other Board or any other Unit Owner or Person, and provided such Non-Residential Unit Owner complies with all Laws and Insurance Requirements and the applicable provisions of the Condominium By-Laws regarding Alterations, to: (a) change the layout of, or number of rooms in, its Unit from time to time; and/or (b) change the size of its Unit, by: (i) subdividing the same into any desired number of Subdivided Units; or (ii) subject to Section 9.4 and clause (b) of Section 10.4 hereof, combining its Unit (or previously Subdivided Unit(s)) with an adjoining Unit or Units owned by such Unit Owner, and in connection therewith: (x) reapportioning among the newly created condominium units resulting from any subdivision or combination their percentage interests in the Common Elements, provided such changes are in compliance with Article 9-B, Section 339 (or any other then-applicable provision) of the New York Condominium Act; and (y) incorporating within its Non-Residential Unit or as part of a newly constituted Unit any portion of the Limited Common Elements appurtenant to such Unit or, without changing the aggregate Common Interest appurtenant to the affected Units, designate part of its Non-Residential Unit as a newly created limited common element appurtenant to a newly constituted Unit; provided, however, that no such Alteration, change, reapportionment or redesignation shall cause the Property or any portion thereof to violate or trigger a default under the Restrictions Instrument or to violate any applicable Laws, and the applicable Non-Residential Unit Owner shall hold the Condominium Board, the Residential Boards, and all other Unit Owners harmless from and against all Costs arising from any such violation or default. Nothing in the preceding sentence is intended to, or shall be interpreted to, amend, modify, or abrogate in any way the approval rights and other requirements set forth in Article 8 of the Condominium By-Laws with respect to Alterations (and the plans and specifications with respect thereto). In addition to any other requirements set forth in the Condominium Documents, prior to any subdivision of the Performing Arts Unit, the Performing Arts Unit Owner must demonstrate, to the reasonable satisfaction of the Condominium Board, that (x) each of the Units resulting from such subdivision will, on its own and without taking into account any of the other Units resulting from such subdivision, comply in all respects with Section 7 of the Restrictions Instrument (except for the size requirements set forth therein) and (y) all of such Units, taken together, will comply with said Section of the Restrictions Instrument.

9.3 Certification Regarding Common Interest Reallocation. Notwithstanding the other provisions of this Article 9, no reapportionment of the Common Interest appurtenant to any Non-Residential Unit(s) shall be made unless there is first delivered to the Condominium Board, a written certification stating that the percentage interests of the affected Unit(s) immediately after such reapportionment are consistent and in compliance with the terms of this Declaration and Section 339-i(1) of the Condominium Act. The certification referred to herein shall be executed and delivered by all of the affected Non-Residential Unit Owners.

9.4 Nature of Subdivided Unit. Each Subdivided Unit, subject to the terms of this Declaration and the Condominium By-Laws, shall constitute a Non-Residential Unit or Residential Unit

for all purposes; provided, however, that (a) no change of use of a Unit may be made other than in accordance with Sections 8.1.1 and 8.2.1 hereof and to the extent permitted by, and in accordance with, the Restrictions Instrument, all applicable Laws (including, without limitation, the Zoning Resolution) and Insurance Requirements, and the other applicable provisions of the Condominium Documents and (b) no Subdivided Unit shall be, or shall be deemed to be, a Residential Unit unless it has been converted to residential (which does not include transient hotel or "multi-family" or "multiple-dwelling" rental) use.

9.5 Initial Construction of the Property; Development Agreements. Notwithstanding anything to the contrary in Article 8 of the Condominium By-Laws or otherwise, Declarant and Developer, for so long as each shall have any remaining rights or obligations under Declarant's Operating Agreement and the Development Agreements relating to the Time Warner Unit, Hotel Unit and Performing Arts Unit in connection with the construction and development of all or any portion of the: (i) Property; (ii) Non-Residential Areas; or (iii) Residential Sections, shall each have the right, without the approval of the Condominium Board, the Residential Boards, any Unit Owner or any other Person, but subject in all events to the Restrictions Instrument, Laws and the applicable provisions of Declarant's Operating Agreement and such Development Agreements, to develop, design, construct, make all initial improvements, installations, finishes, Alterations and Repairs in or to, and to equip and fit-out: (x) the General Common Elements; (y) each such Non-Residential Unit and its appurtenant Limited Common Elements; and (z) each such Residential Section (including its Residential Units and appurtenant Limited Common Elements) including, without limitation, performing structural or non-structural, interior or exterior, ordinary or extraordinary work, which Declarant and Developer may be permitted or required to make or do pursuant to the above-described documents (and all other agreements which Declarant and Developer have entered into with the Time Warner Unit Owner, Hotel Unit Owner and Performing Arts Unit Owner). Developer and Declarant shall be provided access to the entire Property to the extent reasonably necessary to exercise such rights and perform such obligations and to exercise their rights and perform their obligations under the other Development Agreements and the Offering Plans; provided, however, that (1) such access to the General Common Elements shall be subject to the Access Conduct Standards and (2) following any material occupancy of the Performing Arts Unit, Time Warner Unit or Hotel Unit by its Unit Owner or any Occupants thereof, such access to any such Unit and its Limited Common Elements shall be subject to the Access Conduct Standards; provided further, however, that if Declarant and/or Developer have any greater (or less restrictive) access rights with respect to any such Unit pursuant to Declarant's Operating Agreement, the applicable Development Agreement or any other agreement with the Unit Owner of such Unit, such greater (or less restrictive) rights shall apply.

ARTICLE 10

CHANGES IN, AND SUBDIVISION AND COMBINATION OF, UNSOLD ORIGINAL RESIDENTIAL UNITS; AND OF NT RESIDENTIAL UNITS AND ST RESIDENTIAL UNITS GENERALLY

10.1 Changes, Subdivisions, Combinations. Notwithstanding anything to the contrary in Article 8 of the Condominium By-Laws, the Initial Residential Grantee shall have the right, at any time and from time to time, without the vote or consent of the Condominium Board, any other Board or any other Unit Owner (except with respect to work within a Residential Unit not owned by the Initial Residential Grantee, in which (but no other) case, the consent of the Unit Owner thereof (but no other Person) shall be required), but subject in each case to the Restrictions Instrument, all applicable Laws, Declarant's Operating Agreement and the Sponsor Units Development Agreement, to: (a) perform (which term, for the purposes of this Section, shall also include permit, cause and suffer) the

development, design, construction and making of all initial installations, finishes, alterations, additions and improvements in or to, and equipping and fitting-out of, all or any such portion of the Residential Sections (including, without limitation, performing structural or non-structural, interior or exterior, ordinary or extraordinary work) to the extent the same is within the scope of the work pursuant to the "Construction Plans" (as defined in the Sponsor Unit Development Agreement) with respect to the Residential Sections; (b) make Alterations, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Residential Unit; (c) change the layout of, or number of rooms in, any Unsold Residential Unit from time to time; (d) change the size and/or number of Unsold Original Residential Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Original Residential Units (including those resulting from a subdivision or combination or otherwise) into one or more Residential Units, altering any boundary walls between any Unsold Original Residential Units, and/or incorporating within any Unsold Residential Unit the use of any portion of the Residential Limited Common Elements adjacent or appurtenant thereto (but only to the extent that such Residential Limited Common Elements are not required to be maintained as Residential Limited Common Elements based upon such alterations); (e) whether in respect of subdivisions or combinations of the Unsold Original Residential Units or otherwise, designate a Residential Limited Common Element as part of a newly created Residential Unit or designate part of an Unsold Residential Unit as a newly created Residential Limited Common Element, in each case to the extent permitted by the applicable Residential By-Laws; and (f) subject to Section 10.3 below, if appropriate, reapportion among the Unsold NT Residential Units and Unsold ST Residential Units affected by any such change in size, number or designation pursuant to the preceding clauses (d) and (e), their percentage interests in the Common Elements; provided such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act and that the percentage interest in the Common Elements of any other Unit(s) (other than Unsold Original Residential Units) shall not be changed by reason thereof unless the owner(s) of such Unit(s) shall consent thereto in writing; and further provided, however, that any such alteration, addition, improvement, change, reapportionment or redesignation shall not cause the Property or any portion thereof to not comply with the Restrictions Instrument or any applicable Laws, and the Initial Residential Grantee (or its designees) shall hold the Condominium Board, the NT Residential Board, the ST Residential Board and all other Unit Owners harmless from and against all Costs arising therefrom. The Initial Residential Grantee shall have the right, without the consent of the Condominium Board, any other Board or any other Unit Owner or other Person, to amend (and/or cause the Condominium Board to amend) the Declaration, the Floor Plans and any other documentation to reflect the reapportioned Common Interest of any changed, subdivided or combined Unsold Original Residential Units. Subject to the immediately succeeding sentence, the provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of the Initial Residential Grantee. Wherever the consent, approval or satisfaction of the Initial Residential Grantee is required under this Declaration, the Condominium By-Laws, the NT Residential By-Laws or the ST Residential By-Laws, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Original Residential Units.

10.2 Residential Units Generally. The Unit Owner(s) of one or more Residential Units (other than Unsold Original Residential Units), with the consent of the applicable Residential Board, shall have such rights with respect to changing, combining and/or subdividing Residential Unit(s) within such board's Residential Section, as are provided in the applicable set of Residential By-Laws, subject to the terms, conditions and limitations therein and herein set forth.

10.3 Certification Regarding Common Interest Reallocation. Notwithstanding the other provisions of this Article 10, no reapportionment of the Common Interest appurtenant to any Residential Unit shall be made unless there is first delivered to the applicable Residential Board and to the Condominium Board, a written certification stating, in each case with respect to the Residential Units

within such Board's Residential Section, that the percentage interests of the respective Residential Units in the Common Elements, immediately after such reapportionment, have been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in such Residential Section, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit(s). The certification referred to herein shall be delivered: (a) in the case of any Unsold Residential Unit(s), at the election of the Initial Residential Grantee, by the Initial Residential Grantee, the managing agent of the applicable Residential Section, or any other Person reasonably acceptable to the applicable Residential Board and the Condominium Board; and (b) in the case of any other Residential Unit(s), by the Unit Owner thereof, the managing agent of the applicable Residential Section or any other Person reasonably acceptable to the applicable Residential Board and Condominium Board.

10.4 Special Rules Concerning Other Residential Units and Other Residential Boards.

Notwithstanding any other provision hereof or in any of the other Condominium Documents, (a) all of the provisions in this Declaration (excluding Sections 1.3.1, 1.4.2, 6.2.1 and 8.2.4 hereof) and the Condominium By-Laws that (i) apply, or make reference, to the Initial Residential Grantee shall be deemed, *mutatis mutandis*, to also apply, or make reference to, the "sponsor" ("Sponsor") of any Other Residential Units, and (ii) apply, or make reference to, the Unsold Original Residential Units shall be deemed, *mutatis mutandis*, to also apply, or make reference to, "unsold" Other Residential Units (*i.e.* Other Residential Units that have not yet been sold by the Sponsor), provided that all rights of Sponsor pursuant to Section 10.1 hereof shall be subject to the applicable provisions of the Condominium By-Laws regarding Alterations; (b) no Other Residential Unit can be combined with any Original Residential Unit; and (c) if a Residential Board that relates to Other Residential Units does not comply with the third sentence of Section 6.1.1(k) of the Condominium By-Laws, then (1) such Residential Board shall, for all purposes hereunder and under the Condominium By-Laws, be treated as if it were a Sub-Board relating to Non-Residential Units (so that, *inter alia*, Section 13.1.3 of the Condominium By-Laws shall not apply with respect to such Residential Board and such Residential Unit Owners, and the Unit Owners of such Other Residential Units shall, for all purposes hereunder and under the Condominium By-Laws, be deemed to be General Common Charge Obligors).

ARTICLE 11

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the "Secretary of State") is hereby designated to receive service of process in any action which may be brought against the Condominium or any Board. The Condominium and each Board shall notify the Secretary of State of the address to which a copy of any process received should be mailed.

ARTICLE 12

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The percentage interest of each of the Units in the Common Elements has been determined based upon floor space of each Unit, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of

Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. Such determinations, having been fixed in connection with the recording of this Declaration, shall not be subject to recalculation or change, except in connection with any casualty or condemnations to the extent provided in Article 12 of the Condominium By-Laws and the subdivision and/or combination of Units as provided for in Articles 9 and 10 of this Declaration and Articles 9 and 17 of the Condominium By-Laws, and in such cases, only to the limited extent provided therein.

ARTICLE 13

ENCROACHMENTS

If: (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element; (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (c) any encroachment shall hereafter occur as a result of: (i) settling or shifting of the Building; (ii) any Alteration or Repair made to the Common Elements in accordance with the terms of the Condominium Documents; or (iii) any Alteration or Repair of the Building (or any portion thereof) or of any Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements that is, in any such case in this clause "(iii)", made in accordance with the terms of the Condominium Documents and, to the extent then applicable, the Development Agreements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand (or is rebuilt or restored, as provided in the Condominium Documents, following any such fire, other casualty, taking or eminent domain proceeding); provided that, in the case of any such encroachment described in clauses "(ii)" or "(iii)" above, either (A) such encroachment was described in connection with a request for approval of the applicable Alteration pursuant to Section 8.1.2 of the Condominium By-Laws and such request was approved or (B) no approval was required (taking into account such encroachment) for the applicable Alteration under the provisions of Section 8.1.1 of the Condominium By-Laws.

ARTICLE 14

RIGHTS OF ACCESS

14.1 Right of Access for Operation, Emergency Repairs, Damage Prevention. Each Unit Owner hereby grants to each other Unit Owner an irrevocable right of access, to be exercised: (i) in the case of a grantee that is a Non-Residential Unit Owner, by the Condominium Board or the managing agent therefor (or, if such grantee is part of a Sub-Group, by the applicable Sub-Board or the managing agent therefor); or (ii) in the case of a grantee that is a Residential Unit Owner, by the applicable Residential Board or the managing agent therefor, to the granting Unit Owner's Unit, its appurtenant Limited Common Elements and any General Common Elements which such Unit Owner (either by itself or jointly with some (but not all) of the other Unit Owner(s)) has the exclusive right to use pursuant to an easement granted under Section 15.13 of this Declaration (such General Common Elements being referred to herein as "Exclusive Use General Common Elements"), from time to time to the extent necessary for the operation of the Property, or for making Emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units.

14.2 Access Conduct Standards.

14.2.1 The right of access granted pursuant to Section 14.1 above and any easement or right of access granted pursuant to any other provisions of the Condominium Documents which expressly require compliance with the "Access Conduct Standards", *i.e.*, the standards set forth in this Section 14.2, shall be exercised:

(i) during reasonable hours, with due recognition that certain portions of certain Non-Residential Units may from time to time be used for broadcasting, recording, production and screening functions, and for performances, rehearsals, planned parties and functions, and that therefore access to such areas during the conduct of such activities will be limited;

(ii) upon at least one day's prior notice, which notice shall specify, in reasonable detail, the purpose and contemplated extent, location and duration of such exercise;

(iii) to the extent reasonably possible, in such a manner as will not unreasonably interfere with: (i) the conduct of business of the Occupants of the Non-Residential Units (including, without limitation, the use and enjoyment by hotel guests of the Hotel Unit as a hotel of the quality and standard then being maintained or then required under the Condominium Documents and Restrictions Instrument, whichever quality and standard is greater); or (ii) the use of the Residential Units for their permitted purposes;

(iv) subject to such other specific reasonable limitations (*e.g.*, with respect to special high security areas) as may be imposed from time to time: (i) by a Non-Residential Unit Owner to prevent any unreasonable interference with the use and occupancy of its Non-Residential Unit for its intended purposes; (ii) by a Board (other than the Condominium Board) to prevent any unreasonable interference with the use and occupancy of the applicable Section, Area or Unit(s) for its intended purposes; (iii) by a Residential Unit Owner to prevent any unreasonable interference with the use and occupancy of its Residential Unit for its intended purposes; and (iv) as applicable, by the Condominium Board to prevent any unreasonable interference with the use and occupancy of the General Common Elements for their intended purposes; provided in each of the foregoing cases, however, that any such limitations shall not preclude, unreasonably restrict or interfere with the enjoyment or exercise of any such right of access or easement and the Person imposing such additional limitations shall have given reasonable advance written notice of such limitations to the Condominium Board, the Residential Boards and each Non-Residential Unit Owner;

(v) subject to the requirement that the Person exercising such right of access or easement shall be liable for any and all physical damage caused thereby and shall indemnify and hold the affected Boards, their managing agents, and the affected Unit Owners and Occupants (as the case may be) harmless from and against all Costs resulting from, arising out of, or in any way connected to such exercise; and

(vi) in compliance with the Condominium Documents (including, without limitation, the provisions hereof and thereof regarding the removal of mechanics' liens and violations), the Restrictions Instrument (to the extent applicable), all Laws (including, without limitation, those regarding the licensing of contractors), and all Insurance Requirements.

14.2.2 Notwithstanding anything to the contrary in Section 14.2 or any other requirement in the Condominium Documents with respect to compliance with Access Conduct Standards, in the case of an Emergency, the right of access or easement in question shall require only such notice, if

any, as may be practicable under the circumstances prior to exercising such right of access or easement, and the same may be exercised whether or not the Unit Owner or any other Occupant or Person is present.

ARTICLE 15

EASEMENTS; USE OF COMMON ELEMENTS

15.1 General Common Elements. Except as may otherwise be set forth in the Condominium Documents, each Unit Owner shall have and is hereby granted, in common with all other Unit Owners, a non-exclusive easement to use the General Common Elements located anywhere on the Property (other than Exclusive Use General Common Elements) in accordance with their respective intended uses, without hindering the exercise by the other Unit Owners of, or encroaching upon the rights of such other Unit Owners with respect to, such easement. Subject to Section 6.2.2 (d) of the Condominium By-Laws, the Condominium Board, on behalf of all Unit Owners and as more fully set forth in the Condominium By-Laws, is hereby granted an easement to operate, maintain, and make Repairs and Alterations to, such General Common Elements.

15.2 Limited Common Elements. The following easements are hereby granted and created, subject to the provisions of the Condominium Documents and, in the case of each easement granted pursuant to Section 15.2.1, to the provisions of the applicable Residential By-Laws:

15.2.1 All Residential Unit Owners within a Residential Section shall have, except as otherwise provided in the Condominium Documents, in common with one another, an easement for the exclusive use of the Residential Limited Common Elements appurtenant to such Residential Section; and the applicable Residential Board, on behalf of all such Residential Unit Owners, shall have an easement to maintain, and to make Repairs and Alterations to, such Residential Limited Common Elements.

15.2.2 Each Non-Residential Unit Owner shall have, except as otherwise provided in the Condominium Documents, an easement for the exclusive use of the Limited Common Elements appurtenant to the Non-Residential Unit owned by such Non-Residential Unit Owner, including the right to maintain, and to make Repairs and Alterations to, such Limited Common Elements. If, however, such Non-Residential Unit is subsequently subdivided in accordance with this Declaration and the Condominium By-Laws, each owner of a Unit resulting from such subdivision shall have, except as otherwise provided in the Condominium Documents or in the recorded documents evidencing and governing such subdivision, an easement, in common with the owners of all Units resulting from such subdivision, to use, maintain, and make Repairs and Alterations to, such Limited Common Elements, subject to and in accordance with all of the provisions of this Declaration and the Condominium By-Laws.

15.3 Ingress and Egress. Each Unit Owner shall have, to the extent reasonably necessary, in common with all other Unit Owners, an easement for ingress to and egress from its Unit and its appurtenant Limited Common Elements and Exclusive Use General Common Elements (including, without limitation, in the case of the Performing Arts Unit, its box office lobby). Each Unit (including, without limitation, the "galleria" or public circulation areas of the Retail Unit), General Common Element, Limited Common Element and Exclusive Use General Common Element shall be subject to such easement.

15.4 For Subway Entrance: Initial Work. Each of the Condominium Board, the Residential Boards and each Unit Owner grants a right of access over, as applicable, the General Common Elements, its Unit and its appurtenant Limited Common Elements and Exclusive Use General Common Elements, to, in each case: (a) Declarant and Developer for the purpose of exercising (and only to the extent and in such limited locations reasonably required for the exercise of) each such Person's rights and complying with and fulfilling each such Person's obligations under the Subway Entrance Agreement (for so long as the Subway Entrance Agreement shall be in effect) or until the construction obligations thereunder are complete and the maintenance obligations thereunder are assigned to and assumed by the Condominium Board, after which time such easement shall be in favor of the Condominium Board; and (b) each Non-Residential Unit Owner to perform the Initial Fit Out Work which such Non-Residential Unit Owner may be permitted or required to make pursuant, and subject, to the Restrictions Instrument and the applicable Development Agreement and all other agreements which such Non-Residential Unit Owner enters or has entered into with Declarant and/or Developer to develop its Unit. Following any material occupancy of a particular grantor Unit Owner's Unit, the exercise by any Person of the rights of access provided in this Section with respect to such Unit shall be subject to the Access Conduct Standards; provided, however, that if Declarant and/or Developer have any greater (or less restrictive) access rights with respect to any Unit pursuant to Declarant's Operating Agreement, the applicable Development Agreement or any other agreement with the Unit Owner of such Unit, such greater (or less restrictive) rights shall apply.

15.5 For Maintenance, Repair, Cure. Each Unit Owner (except as otherwise set forth below) grants an easement over its Unit and the Common Elements (including, without limitation, its appurtenant Limited Common Elements and its Exclusive Use General Common Elements, if any), and the Condominium Board and each of the other Boards grants an easement over and through the General Common Elements (excluding Exclusive Use General Common Elements in the case of the Condominium Board) and its Limited Common Elements, respectively: (a) to each Board, in common with each other Board, for the purpose of (and to the extent reasonably necessary for) maintaining, Repairing, Altering, preventing or minimizing damage to and causing to be in compliance with Laws, the Restrictions Instrument and Insurance Requirements such granting Unit Owner's Unit, the Limited Common Elements, if any, appurtenant to its Unit and its Exclusive Use General Common Elements, if any, in the case of a Non-Residential Unit, and the Residential Limited Common Elements which are part of the applicable Residential Section, and its Exclusive Use General Common Elements, if any, in the case of a Residential Unit (in each of the foregoing cases, only to the extent such Board has the obligation or right to do so pursuant to other express provisions of the Condominium Documents); (b) to each Unit Owner, in common with each other Unit Owner, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) maintaining, Repairing, Altering, preventing or minimizing damage to and causing to be in compliance with Laws, the Restrictions Instrument and Insurance Requirements any portions of the grantee Unit Owner's Unit, its appurtenant Limited Common Elements and/or its Exclusive Use General Common Elements, if any; (c) to each Unit Owner, and to each Board, in common with each other, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) installing, allowing to remain (and using for their respective intended purposes), maintaining, Repairing, Altering, preventing or minimizing damage to and causing to be in compliance with Laws, the Restrictions Instrument and Insurance Requirements any Common Elements (or Equipment or systems that, but for their location within a Unit or a Limited Common Element, would constitute a Common Element (collectively, "Other Facilities")) located in or only readily accessible through such granting Unit Owner's Unit Limited Common Elements and/or Exclusive Use General Common Elements, if any, which serve other Units (including, without limitation, reading, maintaining or replacing utility meters relating to the Common Elements, such Unit or any other Unit in the Building); (d) to each Board (only to the extent permitted under the other provisions of the Condominium Documents), in common with each

other, for the purpose of (and to the extent reasonably necessary for) preventing or minimizing damage to such Unit or to any other portion of the Property; (e) to each Board (in each case, only to the extent permitted under the other provisions of the Condominium Documents), in common with each other, for the purpose of (and only to the extent reasonably necessary for) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; and/or (f) to each Unit Owner and to each Board (in each case, only to the extent permitted under the other provisions of the Condominium Documents), in common with each other, for the purpose of (and only to the extent reasonably necessary for) curing defaults hereunder or under the Condominium By-Laws, the Residential By-Laws or the General Rules and Regulations (if any), or correcting any conditions originating in such Unit Owner's Unit, Limited Common Elements and/or Exclusive Use General Common Elements, if any, and threatening the health, safety and welfare of the Occupants of, or the property located within, another Unit or all or any part of the Common Elements) and/or for any other purpose for which such grantee is entitled to exercise rights under Article 13 of the Condominium By-Laws. Notwithstanding anything herein to the contrary, each easement granted under subsections 15.5(a) through (f) above (other than easements allowing Common Elements and Other Facilities to remain and to be used for their intended purposes), shall, unless otherwise provided in the Condominium Documents, be exercised in accordance with the Access Conduct Standards.

15.6 Signage. To the extent permitted under, and subject in all respects to the provisions of, Article 8 of the Condominium By-Laws, each Unit Owner, shall, to the extent permitted by and in accordance with all applicable Laws, have an easement to erect, affix, maintain, repair, replace, from time to time, one or more signs on the Property, all in the areas as may be shown in the signage guidelines annexed as Exhibit E hereto and made a part hereof (as the same may be amended from time to time in accordance with the applicable provisions of the Condominium Documents and/or such guidelines, the "Signage Guidelines") and in each case in accordance with the applicable terms and provisions of such Signage Guidelines and the Access Conduct Standards.

15.7 Grants For Utilities. The Condominium Board shall have the right (or obligation if requested by one of the other parties referenced in this sentence) to grant over the General Common Elements, each other Board shall have the right (or obligation if requested by one of the other parties referenced in this sentence) to grant over its Limited Common Elements, and each Non-Residential Unit Owner shall have the right (or obligation, if requested by one of the other parties referenced in this sentence) to grant over its Non-Residential Area (provided that there shall be no such obligation with respect to the Excluded Limited Common Elements (as defined below)), such electric, gas, steam and other utility easements as such granting party (or such requesting party) shall reasonably deem necessary or desirable for the proper operation and maintenance of such portion (or such requesting party's portion) of the Property, provided that such easements and utilities (x) do not adversely affect or interfere with, to more than a de minimis extent, the use by any non-requesting Unit Owner or Board (or such Board's Unit Owners), or any of such Person's Occupants and Permittees, of the General Common Elements or Limited Common Elements and (y) do not adversely affect or interfere with, to more than a de minimis extent, the use, occupancy, business or aesthetics of or at any of the Units (except for Unit(s) of a requesting Unit Owner or Board). For purposes of the preceding sentence, any adverse effect on or interference with any visible space that is part of a Limited Common Element or Unit (other than any temporary adverse effect or interference during the creation and installation of the applicable utility lines and pipes) shall be deemed to be a more than de minimis adverse effect on, or interference with, the use of such Limited Common Element or Unit. Each Board and each Unit Owner shall reasonably cooperate with each other Board and each other Unit Owner in facilitating the siting and installation of any utilities and easements in accordance with the first sentence of this Section 15.7; provided, however, that at any time after any such siting and installation, the location of such easement and utility may, at the grantor Person's request, be moved, so long as such moving, and the new location, do not adversely affect (to

more than a de minimis extent) the use and benefits of such easement and utility. Any utility company and its employees and agents shall have the right to use any easement granted pursuant to this Section 15.7, provided that such use shall be subject to the limitations set forth in this Section 15.7 and elsewhere in the Condominium Documents. The Access Conduct Standards shall apply with respect to the exercise of the easements granted pursuant to this Section 15.7. As used in this Section 15.7, "Excluded Limited Common Elements" means all vertical shaftways and penetrations that are Time Warner Limited Common Elements as of the date hereof.

15.8 [Intentionally omitted].

15.9 Roof Telecom Platforms; Other Equipment on Roofs.

15.9.1 The Time Warner Unit Owner shall have the exclusive right (subject to Section 15.9.4 below), and such easements as shall be required, at any time and from time to time, to exclusively erect, use, lease and license (but only to AOLTW and its Affiliates, and to the Occupants of the Time Warner Unit and their Affiliates), maintain, repair, replace, relocate and operate a platform, support and structure (a "Roof Telecom Platform") on the roof of the South Tower for the purpose of erecting, using, leasing and licensing (but only to Affiliates, and to Occupants of the Time Warner Unit and their Affiliates), maintaining, repairing, replacing, relocating and operating antennae, satellite dishes and other communications equipment thereon; provided, however, that the Time Warner Unit Owner shall give prior notice to the Condominium Board for information purposes only of the type and location of any such equipment before installation.

15.9.2 The Office Unit Owner shall have the exclusive right (subject to Sections 15.9.5 and 15.9.6 below), and such easements as shall be required, at any time and from time to time, to exclusively erect, use, lease and license, maintain, repair, replace, relocate and operate one or more Roof Telecoms Platforms on the roof of the North Tower for the purpose of erecting, using, leasing and licensing, maintaining, repairing, replacing, relocating and operating antennae, satellite dishes and other communications equipment thereon; provided, however, that the Office Unit Owner shall give prior notice to the Condominium Board for information purposes only of the type and location of any such equipment before installation.

15.9.3 The word "equipment" as used in Sections 15.9.1 and 15.9.2 above shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations.

15.9.4 The ST Residential Board shall have the right, and such easements as shall be required, at any time and from time to time, to exclusively erect, use, lease, license, maintain, repair, replace, relocate and operate a Direct Broadcast Satellite (DBS) dish of approximately twenty-two (22) inches in diameter or similar equipment of similar size, in an initial location and, from time to time if the ST Residential Board so elects, in a new location, each reasonably satisfactory to the Time Warner Unit Owner, on the roof of the South Tower.

15.9.5 The NT Residential Board shall have the right, and such easements as shall be required, at any time and from time to time, to erect, use, lease, license, maintain, repair, replace, relocate and operate a Direct Broadcast Satellite (DBS) dish of approximately twenty-two (22) inches in diameter or similar equipment of similar size, in a location on the roof of the North Tower (which location may change from time to time if the NT Residential Board so elects) reasonably satisfactory to the Office Unit Owner and the Hotel Unit Owner. The Hotel Unit Owner shall have the right, and such easements as

shall be required, at any time and from time to time, to erect, use, lease and license (but only to Affiliates, and to Occupants of the Hotel Unit and their Affiliates), maintain, repair, replace and operate a Roof Telecom Platform on the roof of the North Tower for the purpose of erecting, using, leasing and licensing (but only to Affiliates, and to Occupants of the Hotel Unit and their Affiliates), maintaining, repairing, replacing, relocating and operating antennae, satellite dishes and other communications equipment thereon, in a location (which location may change from time to time if the Hotel Unit Owner so elects) reasonably satisfactory to the Office Unit Owner and the NT Residential Board; provided, however, that the size of such Roof Telecom Platform shall be reasonable.

15.9.6 The Performing Arts Unit Owner shall have the right, and such easements as shall be required, at any time and from time to time, to erect, use, lease and license (but only to Affiliates, and the Occupants of the Performing Arts Unit and their Affiliates), maintain, repair, replace and operate a 2½ meter (or smaller) satellite dish and its reasonably appropriate or necessary horizontal structural support requirements (collectively, the "PAU Dish"), in a location on the roof of the North Tower (which location may change from time to time if the Performing Arts Unit Owner so elects) reasonably satisfactory to the Office Unit Owner, the Hotel Unit Owner and the NT Residential Board. Such location may (if mutually agreed to by the Performing Arts Unit Owner and the Office Unit Owner) be on a Roof Telecom Platform erected on the North Tower roof by the Office Unit Owner pursuant to Section 15.9.2 hereof. If it is not, the Performing Arts Unit Owner shall have the right, and such easements as shall be required, at any time and from time to time, to erect, use, lease and license (but only to Affiliates, and the Occupants of the Performing Arts Unit and their Affiliates), maintain, repair, replace and operate a separate Roof Telecom Platform on which the PAU Dish shall be located.

15.9.7 Each easement and other right granted under this Section 15.9 must be exercised, and the Roof Telecom Platforms and equipment described in this Section 15.9 must be used, (i) subject to, and in accordance with, clause (iii), (v), and (vi) of Section 14.2.1 hereof and (ii) in such a way so as to minimize, to the extent reasonably practicable, interference with (x) the exercise of all other easements and other rights granted under this Section 15.9 and (y) the use of the Roof Telecom Platforms and equipment described in this Section 15.9.

15.9.8 Notwithstanding anything in this Section 15.9 to the contrary, (i) each of the Time Warner Unit Owner and the Hotel Unit Owner shall not lease, license, permit or cause the use of its Roof Telecom Platform (or any part thereof or any equipment thereon), for purposes other than in connection with Permitted Roof Telecom Purposes (as defined below) and (ii) the Performing Arts Unit Owner shall lease, license, permit or cause the use of the PAU Dish only in connection with the use of the Performing Arts Unit in accordance with Section 8.1.1(iv) of this Declaration. As used herein, "Permitted Roof Telecom Purposes" shall mean all businesses, operations and activities of the applicable Unit Owner and Occupants of the applicable Unit, and their Affiliates, other than the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

15.10 Telecommunications Units.

15.10.1 In addition to the foregoing, and without limitation of any other right to subdivide the Office Unit pursuant to the Condominium Documents, the Office Unit Owner reserves the right, at any time and from time to time, to create, in accordance with all Laws, separate Units and tax lots ("Telecommunications Units") from all or any portion of the Office Unit. Each such Telecommunications Unit shall have appurtenant thereto a limited common element consisting of a portion of the Office Unit Owner's Roof Telecom Platform on the roof of the North Tower that is not

occupied on such date for any other Building installations (a "Telecommunications Unit Limited Common Element") upon which the Owner of such Telecommunications Unit (or such Owner's tenant or licensee) may erect, use, lease, license, maintain, repair, replace, relocate and operate antennae, satellite dishes and other communications equipment, based upon all current and reasonably similar future technologies, and the owner of such Telecommunications Unit (or its tenant or licensee) shall have an easement in the General Common Elements for ingress, egress and the use of any General Common Elements in order to erect, use, lease, license, maintain, repair, replace, relocate and operate its equipment (all to be exercised in accordance with the Access Conduct Standards, to the extent applicable). Notwithstanding the foregoing, no use of a Telecommunications Unit or any Telecommunications Unit Limited Common Element shall interfere with or adversely affect (to more than a *de minimis* extent) the use, operation or occupancy of any other Unit. The rights granted to the Office Unit Owner under this Section 15.10.1 shall be deemed to be Inherent Rights for purposes of Section 9.2.1(b) of the Condominium By-Laws.

15.10.2 In the event that Telecommunications Units are so created, any Common Interest allocated to such Telecommunications Units will be deducted from the Common Interest allocated to the Office Unit and the Common Interest of all other Units shall remain unchanged. The General Common Charges payable by the Unit Owners of Telecommunications Units shall be a portion of the expenses formerly allocated by the Condominium Board in the aggregate to the Office Unit (and the General Common Charges of the Office Unit shall be reduced accordingly); and otherwise determined as set forth in Article 9 of the By-Laws.

15.10.3 Any obligations of the Office Unit Owner or an Owner of a Telecommunications Unit, as the case may be, under any agreement, lease, license or other right of use granted by the Office Unit Owner or the owner of the Telecommunications Unit, as the case may be, with respect to the North Tower roof or any Roof Telecom Platform erected by the Office Unit Owner, any of the aforesaid mechanical, equipment, work or other rooms, any Telecommunications Unit or any Telecommunications Unit Limited Common Elements shall be the obligation solely of the Office Unit Owner (or its designee) or the Owner of the Telecommunications Unit, as the case may be, and not of the Condominium, and any rights of the Office Unit Owner (or its designee) or the Owner of the Telecommunications Unit, as the case may be, including, without limitation, the right to receive rent or other consideration, however characterized for such lease, license or other right of use, shall be the right solely of the Office Unit Owner (or its designee) or the Owner of the Telecommunications Unit, as the case may be, and not of the Condominium or any other Unit Owner.

15.10.4 The provisions of this Section 15.10 and the rights granted under this Section 15.10 are in all respects subject to the provisions of Section 15.9 hereof and the rights granted therein.

15.11 Central Receiving Arrays. The Time Warner Unit Owner shall have an easement over the Roofs of both the South Tower and the North Tower to erect, affix, maintain, repair, replace, from time to time, one or more Central Receiving Arrays ("CRA"s), but only in the areas shown therefor on the Floor Plans.

15.12 Reconfiguration Affecting Easements and Access Rights. Subject to the final sentence of this Section 15.12 and other applicable provisions of the Condominium Documents (e.g., with respect to Alterations): (i) each Non-Residential Unit Owner shall have the right to reconfigure any of its Unit, Limited Common Elements and/or Exclusive Use General Common Elements; (ii) each Board (other than the Condominium Board), with respect to the Limited Common Elements or Exclusive Use General Common Elements of its Section or Area, shall have the right to reconfigure any such Common Elements; and (iii) each Residential Unit Owner shall have the right to reconfigure any of its Unit, and the

Residential Limited Common Elements and/or Exclusive Use General Common Elements over which it exercises exclusive control; in all of the foregoing cases "(i)" through "(iii)", notwithstanding any easement or access right granted to any other Person over or to such area or with respect thereto. Notwithstanding the foregoing however, no such reconfiguration by a Unit Owner or Board shall: (y) preclude, unreasonably restrict or interfere with the benefits of such easement or access right by any Person intended by this Declaration to be a beneficiary of any such easement or access right for its intended purpose; and/or (z) in any material respect, increase the burden to any Unit (other than the Unit owned by such Unit Owner, if applicable, and the Units relating to such Board, if applicable), or its Unit Owner, its appurtenant Limited Common Elements and/or its Exclusive Use General Common Elements.

15.13 Exclusive Use General Common Elements.

15.13.1 Certain Roofs. With respect to the following Roofs (identified on the Floor Plans with the designations described below), the following specific easements are hereby created in favor of the Persons identified below:

(a) The Time Warner Unit Owner and the Office Unit Owner shall jointly have an easement for the exclusive use of Roof 9 (located between the North Tower and South Tower; Floor 11 (South Tower)/Floor 16 (North Tower)) as a terrace and recreation area. Such Unit Owners shall mutually agree from time to time on reasonable rules and procedures governing such joint use and the costs thereof; and any Alteration of such Roof by one such Unit Owner shall require the approval of the other.

(b) All ST Residential Unit Owners shall jointly have an easement for the exclusive use of Roof 15 (South Tower, Floor 51) as a terrace and recreation area. The use thereof shall be subject to such rules and regulations with respect thereto as may be adopted by the ST Residential Board from time to time; and the consent of any individual ST Residential Unit Owner shall not be required by the ST Residential Board with respect to any Alteration thereof.

(c) Each of the Unit Owners of the NT Residential Units on Floor PH76 of the North Tower shall have an easement for the exclusive use of that portion of Roof 16 as is contiguous with its Unit. Without limiting the provisions of Section 15.13.3, the use thereof shall be subject to such rules and regulations with respect thereto as may be adopted by the NT Residential Board from time to time.

(d) Each of the Unit Owners of the ST Residential Units on Floor PH76 of the South Tower shall have an easement for the exclusive use of that portion of Roof 17 as is contiguous with its Unit. Without limiting the provisions of Section 15.13.3, the use thereof shall be subject to such rules and regulations with respect thereto as may be adopted by the ST Residential Board from time to time.

15.13.2 Loading Dock. (i) The Time Warner Unit Owner shall have an easement for the exclusive use of (but not the right to Alter or Repair) that portion of the Loading Dock shown on the Floor Plans as "Time Warner Loading Dock Area" (the "Time Warner Loading Dock Area"), and all Unit Owners (other than the Time Warner Unit Owner or such other Unit Owner(s) as may, from time to time, share in the Time Warner Unit Owner's loading dock easement area), to the exclusion of the Time Warner Unit Owner (and such other sharing Unit Owner(s), as applicable), shall jointly have an easement for the exclusive use of that portion of the Loading Dock shown on the Floor Plans as "Common Usage Loading Dock Area" (the "Common Usage Loading Dock Area") (the Time Warner Loading Dock Area

and the Common Usage Loading Dock Area, collectively, the "Loading Dock Areas"), as a loading dock. Furthermore, all Unit Owners (including the Time Warner Unit Owner) shall jointly have an easement to use that portion of the Loading Dock shown on the Floor Plans as "Common Driveway Area" (the "Common Driveway Area") for access to and from, in the case of the Time Warner Unit Owner, the Time Warner Loading Dock Area, and, in the case of each Unit Owner (other than the Time Warner Unit Owner and such other Unit Owner(s) as may, from time to time, share in the Time Warner Unit Owner's loading dock easement area), the Common Usage Loading Dock Area. The provisions of this Section 15.13.2(i) are not meant to modify or abrogate in any way any of the provisions of Sections 6.1.1(a) and 6.1.1(b)(i) of the Condominium By-Laws.

(ii) Subject to the interest of maintaining an equitable allocation of space in and access to the Loading Dock among the Unit Owners, provided that the placement in the Common Usage Loading Dock Area of a broadcast truck in connection with the use of the Performing Arts Unit (a "PAU Broadcast Truck") does not adversely affect the regular use by each Unit Owner, and operation by the Condominium Board, of the Loading Dock or the Building, the Condominium Board shall cooperate with the Performing Arts Unit Owner to attempt to provide it with space for a PAU Broadcast Truck in the Common Usage Loading Dock Area up to 25 times per year (aggregating not more than 75 days per year). In the event that the foregoing is not feasible, the Condominium Board shall use commercially reasonable efforts to work with the Performing Arts Unit Owner in order to locate, at the expense of the Performing Arts Unit Owner, a suitable off-site location for a PAU Broadcast Truck.

15.13.3 Additional Requirements. (a) Each easement and right granted under this Section 15.13 is granted subject to, and must be exercised in compliance with, all Laws and the terms of this Declaration, all Insurance Requirements, the Condominium By-Laws and any General Rules and Regulations as may be adopted from time to time (including, without limitation, with respect to the Loading Dock, such rules, regulations and conditions with respect to traffic flow, scheduling, security, usage and maintenance etc. as may reasonably be determined by the Condominium Board or its managing agent).

(b) Notwithstanding anything to the contrary contained in the Condominium Documents (other than the further provisions of this Section 15.13.3(b)), in the case of the easement(s) granted pursuant to: (i) paragraphs (a) of Section 15.13.1, the Time Warner Unit Owner and the Office Unit Owner jointly; (ii) paragraph (b) of Section 15.13.1, the ST Residential Board; and (iii) paragraphs (c) and (d) of Section 15.13.1, the grantee Residential Unit Owner, shall in each case have the obligation, at its or their, as applicable, own cost and expense, to keep and maintain the Roof or those certain areas of the Roof that is/are the subject of such easement(s), as well as any personalty (e.g., decorations, lighting, flooring, furniture, plantings) or the like placed, kept or suffered thereon or attached thereto, in such appearance, condition and otherwise in such a manner as meets or exceeds Project Standards and as is appropriate for such portion of the Building. Each such Person shall promptly make or perform, or cause to be made or performed, all maintenance, Repairs, painting and decoration as are necessary in connection therewith including keeping the applicable Roofs, clean, landscaped, free of accumulated water, snow and ice. Notwithstanding the foregoing, (1) with respect to Repairs the cost of which, under generally accepted accounting principles, constitute capital expenditures, each such Person shall only be required to make such Repairs to the extent necessitated by the acts or omissions of such Person or its Occupants or Permittees (or their respective agents, employees or other invitees); (2) the provisions of the penultimate sentence of Section 6.2.2(d) of the Condominium By-Laws shall apply with respect to any structural or extraordinary Repairs or Alterations to any Roof and (3) notwithstanding any easement granted in Section 15.13.1 with respect to a Roof, the consent of the Condominium Board shall be required for the performance of any Alteration to such Roof. The Condominium Board shall have the obligation to make

all Repairs that are not the responsibility of a Unit Owner, Unit Owners or Residential Board pursuant to the immediately preceding sentence.

15.14 Certain Other Portions of the Building.

15.14.1 Certain Elevators. With respect to the following elevators (identified on the Floor Plans with the designations described below), the following specific easements are hereby created in favor of the Persons identified below:

(a) The Condominium Board shall have an easement to use, as needed, the service elevator in the South Tower servicing both the Time Warner Systems and the Building's central mechanical plant (Elevator F-7), which elevator is shown on the Floor Plans as a Time Warner Limited Common Element. In furtherance of such easement, the Time Warner Unit Owner shall at all times provide and make available to the Condominium Board and its agents any keys or other control devices regulating access to and use of such elevator.

(b) Each of the Condominium Board and the Office Unit Owner shall have an easement to use, as needed, service elevator S-29 in the North Tower, which elevator is shown on the Floor Plans as a Time Warner Limited Common Element. In furtherance of such easement, the Time Warner Unit Owner shall at all times provide and make available to the Condominium Board and the Office Unit Owner and their agents any keys or other control devices regulating access to and use of such elevator.

(c) The Retail Unit Owner and its Occupants, and its/their respective invitees, shall have an easement to use, as needed, the passenger elevators which serve both the Garage Unit and the Retail Unit, but which elevators are shown on the Floor Plans as Garage Limited Common Elements.

15.14.2 Certain Office Unit and Time Warner Unit Limited Common Elements. (a) With respect to the following Office Unit Limited Common Elements (so identified on the Floor Plans), the following specific easements are hereby created in favor of the Time Warner Unit Owner:

(i) The Time Warner Unit Owner and its Occupants shall have an easement to use, on the same terms and conditions as the Office Unit Owner and its Occupants:

(1) the lobby area at Floor GFE on the northerly side of the Building which lobby serves both the Office Unit and the Time Warner Unit and their respective Occupants but which lobby area is shown on the Floor Plans as an Office Limited Common Element;

(2) the passenger and service elevators which serve both the Office Unit and the Time Warner Unit and their respective Occupants (Elevators P-23, P-24, P-25, P-26, P-27, P-28, P-29 and P-77) but which elevators are shown on the Floor Plans as an Office Limited Common Element;

(3) the lobby crossover area at Floor 3 on the north side of the Building which crossover area serves both the Office Unit and the Time Warner Unit and their respective Occupants but which area is shown on the Floor Plans as an Office Limited Common Element.

(ii) The Time Warner Unit Owner shall have an easement to use for its Equipment (in the size contemplated as of the date hereof) in the mechanical room located on North Tower Floor 21 which mechanical room contains Equipment serving both the Office Unit and the Time Warner Unit but

is shown on the Floor Plans as an Office Limited Common Element; such easement including the right for the Time Warner Unit Owner to maintain and make Repairs and Alterations to its Equipment in such mechanical room.

(iii) The Time Warner Unit Owner shall have an easement to use for its Equipment (in the size contemplated as of the date hereof) the mechanical room located on North Tower Floor 21M which mechanical room contains Equipment serving both the Office Unit and the Time Warner Unit but is shown on the Floor Plans as an Office Unit Limited Common Element; such easement including the right for the Time Warner Unit Owner to maintain and make Repairs and Alterations to its Equipment in such mechanical room.

(b) All costs incurred with respect to the Shared Office Limited Common Elements shall be paid by the Office Unit Owner and the Time Warner Unit Owner in accordance with Section 6.1.1(d)(ii) of the Condominium By-Laws.

15.14.3 Hotel/NT Residential Limited Common Elements. Subject to the further provisions of this Section 15.14.3 and the provisions of Section 6.1.1(g)(viii) of the Condominium By-Laws, the Hotel Unit Owner (and not the Hotel Unit Owner and the NT Residential Board jointly) shall control the appearance, decoration and management of the Hotel/NT Residential Limited Common Elements to the same extent that any Unit Owner has the right to so control its appurtenant Limited Common Elements; provided, however, that the Hotel Unit Owner shall, with respect to exterior signage on or within the NT Residential/Hotel Limited Common Elements, follow the directions of the NT Residential Board with respect to NT Residential signage so long as said directions comply with the Signage Guidelines. Supplementing the foregoing, the use by the NT Residential Unit Owners and their Occupants of the Hotel/NT Residential Limited Common Elements shall be subject to rules and regulations with respect thereto (including, without limitation, that deliveries will be made only through the service areas) promulgated from time to time by the Hotel Unit Owner or the manager, operator or licensee of the Hotel Unit; provided, however, that notwithstanding the preceding sentence, all such rules and regulations with respect to the service elevator described in clause (v) of Section 7.11 hereof shall be promulgated after consultation with the NT Residential Board and shall be reasonable, taking into account the needs and uses of such elevator by the NT Residential Board, the NT Residential Unit Owners and their Occupants and the standard of service being provided to and within the NT Residential Section, on the one hand, and the needs and uses of such elevator by the Hotel Unit and the standard at which the hotel in the Hotel Unit is being operated, on the other hand. All costs incurred with respect to the Hotel/NT Residential Limited Common Elements shall be paid in accordance with Section 6.1.1(d)(iii) of the Condominium By-Laws. Notwithstanding any of the foregoing or any other provision hereof or in the Condominium By-Laws, whenever the Condominium Documents grant an approval right to the applicable Unit Owner with respect to its appurtenant Limited Common Elements, the approval of each of the Hotel Unit Owner and the NT Residential Board shall be required with respect to any such approval right relating to any of the Hotel/NT Residential Limited Common Elements; provided, however, that with respect to Alterations and Repairs to the Hotel/NT Residential Limited Common Elements, and decisions with respect to the management, appearance and decoration of the Hotel/NT Residential Limited Common Elements, made by or on behalf of the Hotel Unit Owner, the NT Residential Board shall only have the approval rights granted to it in Section 6.1.1(g)(viii) and Article 8 of the Condominium By-Laws, subject, however, to the proviso clause of the first sentence of this Section 15.14.3.

15.15 Residential Access to Hotel Areas and Services.

15.15.1 The Hotel Unit Owner hereby grants to the residential Occupants of the NT Residential Units and ST Residential Units (as such Occupants exist from time to time, but excluding any Unit Owner for so long as its Unit is being leased) (for purposes of this Section 15.15, all of the foregoing, collectively, "Initial Residential Users"), at no cost or expense (other than as expressly set forth below) to the Initial Residential Users or the applicable Residential Boards, but only for so long as any portion of the Hotel Area is operated as a hotel, certain rights of use and access with respect to certain facilities and services of the Hotel Area, as described, and subject to the terms and conditions set forth, below:

(i) Pool/Fitness Space. For so long as any portion of the space specified as "Pool Space" on the Floor Plans and all improvements thereto or thereon is made available to hotel guests as a pool (or similar use), or any other portion of the Hotel Area is made available to hotel guests as a replacement for the pool originally made available to hotel guests (such "Pool Space" portion and improvements, or other portion and improvements, as applicable, the "Pool Space"), Initial Residential Users shall have a right to access and use the Pool Space for the same purposes for which hotel guests are permitted to access and use the Pool Space, and for so long as any portion of the space specified as "Fitness Space" on the Floor Plans and all improvements thereto or thereon is made available to hotel guests as a fitness center (or similar use), or any other portion of the Hotel Area and all improvements thereto or therein is made available to hotel guests as a replacement for the fitness center originally made available to hotel guests (such "Fitness Space" portion and improvements, or such other portion and improvements, as applicable, the "Fitness Space"), Initial Residential Users shall have a right to access and use the Fitness Space for the same purposes for which hotel guests are permitted to access and use the Fitness Space. Such rights of access and use described in the preceding sentence shall be subject only to such non-financial, and uniformly enforced, rules and regulations (regarding, *inter alia*, hours of operation and use, dress code, conduct, utilization and permitted guests) as the Hotel Unit Owner (or the manager, operator or licensee of the Hotel Unit) may, from time to time, promulgate; provided, however, that in all events any such rules and regulations shall not be any more preferential or less restrictive to hotel guests than to the Initial Residential Users. For so long as such rights of access and use in favor of the Initial Residential Users shall be in effect (and notwithstanding the exercise of any remedies provided in Section 15.15.4 hereof), (a) the Fitness Space shall be fully staffed during hours of operation and (b) fifty (50%) percent of the annual net operating costs and reasonable ongoing capital expenses of the Pool Space and Fitness Space (the "Pool/Fitness Common Charges") (not to include any costs or expenses of the hotel spa, or any costs or expenses to the extent such costs and expenses would not have been incurred but for any relocation of the Pool Space and/or Fitness Space), reasonably determined by the Hotel Unit Owner and subject in all respects to audit, adjustment and Arbitration, will be assessed and collected by the Condominium Board, for the account of the Hotel Unit Owner, against and from the NT Residential Board (in respect of the NT Residential Units), as General Common Charges applicable thereto; provided that if the Residential Boards shall so agree in writing, a portion (as determined by the Residential Boards) of the Pool/Fitness Common Charges may be allocated to the ST Residential Board (in respect of the ST Residential Units), as General Common Charges applicable thereto upon the same terms and subject to the same conditions.

(ii) Business Center. The Initial Residential Users shall have a non-exclusive (subject to clause (b) of the definition of Initial Business Center Conditions below) right to access and use the space specified as "Business Center Space" on the Floor Plans, or any other portion of the Hotel Area to which the Hotel Unit's business center (*i.e.*, the area providing messaging, facsimile and/or similar business services) may be relocated, and all improvements thereto or thereon (such "Business Center Space" or (as applicable) other portion of the Hotel Area, and such improvements, collectively, the

"Business Center Space") as a business center Area (*i.e.*, providing messaging, facsimile and/or similar business services), with staff (if any) that the Hotel Unit Owner deems appropriate. Such right of access and use shall be subject only to the Business Center Conditions (hereinafter defined), which shall in all events be uniformly enforced. As used herein, the "Business Center Conditions" means such reasonable policies concerning the usage (including hours of operation and use by the Initial Residential Users) of the business center as the Hotel Unit Owner (or the manager, operator or licensee of the Hotel Unit) may, from time to time, promulgate; provided, however, that in all events such policies shall at all times be consistent with the Initial Business Center Conditions. As used herein, the "Initial Business Center Conditions" means that the business center shall: (a) be at no per-use charge other than for specific services that may be offered, requested and provided at the business center by the hotel; and (b) include the usage of (1) a secretarial station, adjacent to or within the Business Center Space, constructed, equipped and maintained by the Hotel Unit Owner and reserved and dedicated for the exclusive use of the Initial Residential Users and (2) an office, adjacent to the Business Center Space, substantially similar in size to the office for the Initial Residential Users shown on the May 20, 2002 plans for the 19th floor administrative area layout prepared by Brennan Beer Gorman (the "BBG Plans"), constructed, equipped and maintained by the Hotel Unit Owner and reserved and dedicated for the exclusive use of the Initial Residential Users. One hundred percent (100%) of the annual net operating costs of such secretarial station and office (including, without limitation, the annual net costs of operating phone lines, business machines and the like to the extent operated or used in connection with such secretarial station and office), and one hundred percent (100%) of the reasonable ongoing capital expenses of such secretarial station and office (not to include any costs or expenses to the extent such costs and expenses would not have been incurred but for any relocation of such secretarial station and/or office), all as reasonably determined by the Hotel Unit Owner and subject in all respects to audit, adjustment and Arbitration, will be assessed and collected by the Condominium Board, for the account of the Hotel Unit Owner, against and from the NT Residential Board (in respect of the NT Residential Units), as General Common Charges applicable thereto; provided that if the NT and ST Residential Boards shall so agree in writing, a portion (as determined by such Residential Boards) of such General Common Charges may be allocated to the ST Residential Board (in respect of the ST Residential Units) upon the same terms and subject to the same conditions. The rights granted to the Initial Residential Users in this Section 15.15.1(ii) shall only apply for so long as, and to the same extent that, the same services are provided to hotel guests at the Business Center Space; provided, however, that for so long as any such services are provided to hotel guests at the Business Center Space, clause (b) of the definition of Initial Business Center Conditions must remain satisfied.

(iii) Spa Area. For so long as any portion of the Spa Area (as defined below) is made available to hotel guests as a so-called "wet area" (*i.e.*, an area with sauna, steam room, showers, lockers, lounges and/or similar uses), Initial Residential Users shall have a right to access and use such wet area, in common with hotel guests, for the same purposes for which hotel guests are permitted to access and use such "wet area." For so long as any portion of the space specified as "Spa Area" on the Floor Plans (or any other portion of the Hotel Area to which the Hotel Unit's spa may be relocated) and all improvements thereto or thereon (collectively, the "Spa Area") is made available to hotel guests for per-use-fee-type spa services, Initial Residential Users shall have a right to use such services, subject to payment of the applicable per-use or other fees for the services rendered therein as may be charged by the Hotel Unit Owner (or the manager, operator or licensee of the Hotel Unit) to hotel guests. The rights given to Initial Residential Users in the first sentence of this Section 15.15.1(iii) shall be subject to prior reservation (to the extent reservations are required by the Hotel Unit Owner or the manager, operator or licensee of the Hotel Unit) and availability and to such non-financial, and uniformly enforced, rules and regulations (regarding, *inter alia*, hours of operation and use, dress code, conduct, utilization and permitted guests) as the Hotel Unit Owner (or the manager, operator or licensee of the Hotel Unit) may, from time to time, promulgate (which rules may provide that no standing reservations will be permitted

and may establish a maximum advance reservation period); provided, however, that in all events any such rules and regulations shall not be any more preferential or less restrictive to hotel guests than to the Initial Residential Users. The rights given to Initial Residential Users in the second sentence of this Section 15.15.1(iii) shall be subject to advance booking on a restricted/availability basis with the same priority as hotel guests, and to such uniformly enforced rules and regulations (including, *inter alia*, hours of operation and use) as the Hotel Unit Owner (or the manager, operator or licensee of the Hotel Unit) may, from time to time, promulgate, which rules may provide for a maximum advance reservation period; provided, however, that in all events any such rules and regulations shall not be any more preferential or less restrictive to hotel guests than to Initial Residential Users.

15.15.2 Fixed Hotel Services. For so long as any portion of the Hotel Area is operated as a hotel, the Hotel Unit Owner covenants and agrees to provide and make available (and/or to cause the manager or operator of the hotel to provide and make available) to Initial Residential Users in the North Tower: (i) hotel concierge services provided by the hotel concierge staff; (ii) ground floor lobby bellmen and doormen; and (iii) valet parking service, in each case, on the same basis as which (and to the extent (if any) that) such services are provided and made available to hotel guests. An equitably allocated portion of the cost to the Hotel Unit Owner of its staff (*i.e.*, wages plus allocable cost of benefits, uniforms and other commercially reasonable direct costs, subject in all respects to audit, adjustment and Arbitration) providing such services to the Initial Residential Users in the North Tower will be assessed and allocated by the Condominium Board, for the account of the Hotel Unit Owner, against and from the NT Residential Board (in respect of the NT Residential Units) as General Common Charges applicable thereto. The hotel concierge staff will also provide reasonably limited advisory services (*e.g.*, advice on how to procure (as opposed to actually procuring) tickets to entertainment events for Initial Residential Users) to the ST Residential Section's lobby receptionist at no charge to the ST Residential Unit Owners.

15.15.3 Further Right of Access. In order to use and enjoy the rights of access and use granted to Initial Residential Users under the foregoing provisions of this Section 15.15, the Hotel Unit Owner hereby grants to the Initial Residential Users rights of access and ingress to and egress from the applicable portions of the Hotel Area from and to the Residential Sections across the Hotel Area in the locations more specifically set forth on the Floor Plans. The Hotel Unit Owner shall have the right to make Alterations and Repairs to the areas affected by such rights of access, ingress and egress (the "Access Areas"); provided, however, that in no event shall any Alteration or Repair be made which would preclude the exercise of, or unreasonably restrict or interfere with the enjoyment or use of, such rights by any Person expressly stated in this Declaration to be a beneficiary of any such rights of access, ingress and egress for their intended purpose; provided further, however, that temporary preclusions, restrictions and interferences with the enjoyment or use of such rights shall be permitted to the extent reasonably necessary as a result of the performance (but not following the completion) of any such Alteration or Repair, but only if the Hotel Unit Owner completes such Repair or Alteration as promptly as reasonably practicable and takes all other commercially reasonable actions to minimize such preclusions, restrictions and interferences. The Hotel Unit Owner shall also have the right to relocate the Access Areas to the extent such relocation is reasonably necessary as a result of any structural Alteration to the Hotel Area; provided, however, that (1) all Alterations in connection therewith shall be subject to the preceding sentence; (2) in no event shall any such relocation adversely affect the use, benefit and convenience of such access, ingress and egress rights by or to the Initial Residential Users and (3) each of the NT Residential Board and ST Residential Board must be given not less than ninety (90) days prior written notice of any such relocation; and provided further, however, that subject to the next sentence, if the Pool Space, Fitness Space, Business Center Space and/or Spa Area is relocated, the appropriate portions of the Access Areas shall also, to the extent necessary or appropriate, be relocated to a location reasonably satisfactory to the NT Residential Board and ST Residential Board. Notwithstanding any other provision

hereof, each of the Pool Space, Fitness Space and Business Center Space must always be on the same floor (except during any reasonably temporary period while one or more of them is being relocated).

15.15.4 Rules and Regulations. All rules and regulations and policies promulgated by the Hotel Unit Owner (or the manager, operator or licensee of the Hotel Unit) in accordance with the provisions of this Section 15.15 may provide for appropriate remedies, including suspension and/or termination of rights of a Residential Unit Owner, in the event of the non-payment by such Residential Unit Owner of any applicable fees, charges or assessments payable by such Unit Owner or any failure by such Residential Unit Owner to comply with such rules and regulations, provided that such remedies must comply with the requirements (if any) imposed on such rules and regulations under the foregoing provisions of this Section 15.15 (so that, for example, remedies with respect to the rules and regulations described in Section 15.15.1(i) must be non-financial and uniformly enforced and not any more preferential or less restrictive to hotel guests than to the Initial Residential Users).

15.16 Certain Portions and Easements of the Residential Sections.

15.16.1 The ST Residential Board, shall have the right, without the consent of any Unit Owner or managing agent, to permit the use of the Floor 51 roof terrace and recreation area by NT Residential Unit Owners in accordance with the reasonable rules and regulations as may be established therefor from time to time by the ST Residential Board.

15.16.2 Until the tenth anniversary of the First Residential Unit Conveyance applicable to a Residential Section, the Initial Residential Grantee and its designees shall have the right to use, without charge, portions of such Residential Section (and, in the case of the ST Residential Section, its Exclusive Use General Common Elements) for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Original Residential Units) or otherwise.

15.16.3 Unless the Hotel Unit Owner agrees in writing otherwise (a) the appearance and decoration of the Visible Portions (as defined below) of the NT Residential Limited Common Elements described in Section 7.3(i) hereof shall be consistent with the decoration and appearance of the Hotel/NT Residential Limited Common Elements described in Section 7.11(i) hereof and the Hotel Limited Common Elements described in Section 7.7(v) hereof and (b) the rules and regulations promulgated by the NT Residential Board or its manager governing the Visible Portions shall be consistent with the rules and regulations governing the Hotel/NT Residential Limited Common Elements described in Section 7.11(i) hereof and the Hotel Limited Common Elements described in Section 7.7(v) hereof. As used herein, "Visible Portions" shall mean those portions of the NT Residential Limited Common Elements described in Section 7.3(i) hereof that are visible to persons in or at the Hotel/NT Residential Limited Common Elements described in Section 7.11(i) hereof and/or the Hotel Limited Common Elements described in Section 7.7(v) hereof

15.17 Additional General Provisions Relating to Easements.

15.17.1 Each easement and other right granted under this Article 15 (except for those set forth in Sections 15.14.3 and 15.15) shall be deemed to permit the grantee's Permittees to use such easement or other right, as applicable, if such grantee so elects, but only to the extent, and with respect to particular Persons that are, appropriate in the context of the applicable easement or other right.

15.17.2 With respect to any provision that provides for the holder of an Exclusive Easement (as defined below) to grant an "easement" (an "Other Easement") with respect to the area or Equipment that is the subject of such Exclusive Easement, to the extent that the holder of such Exclusive

Easement cannot grant such an "easement" because it is the holder of only an easement interest, it shall be deemed that such Exclusive Easement was granted to such holder subject to a further easement in favor of the intended grantee of the Other Easement for the purpose for which such Other Easement was intended to be granted. As used herein, the term "Exclusive Easement" shall mean an easement that was granted to a given Unit Owner, or to a given Unit Owner and one or more (but not all) other Unit Owner(s)), for its or their, as applicable, exclusive use (including, but not limited to, easements covering Exclusive Use General Common Elements).

15.17.3 Any grant of an easement or right of access "on", "over", "across" or "through" a given area shall be deemed to mean "on, over, across, through, and upon" such area, unless the context otherwise requires.

15.17.4 Except as may otherwise be set forth in this Declaration (including, without limitation, Section 15.15) or the Condominium By-Laws, any easement or other right created or granted hereunder or under the Condominium By-Laws shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 16

POWERS OF ATTORNEY TO THE BOARDS

16.1 From Non-Residential Unit Owners. Each Non-Residential Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine): (i) to purchase or otherwise acquire on behalf of all Unit Owners any Non-Residential Unit, together with its Appurtenant Interests, with respect to which liens for real estate taxes are being sold; (ii) to acquire any Non-Residential Unit, together with its Appurtenant Interests, whose Unit Owner elects to surrender the same pursuant to the Condominium By-Laws to the extent the waiver with respect to the right to surrender such Unit set forth therein is inapplicable or unenforceable; (iii) to purchase or otherwise acquire any Non-Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price, as the attorneys-in-fact deem proper (except that if the Construction Lender is the holder of a mortgage encumbering a Non-Residential Unit that encumbered such Unit and was held by the Construction Lender on the date of the recording of this Declaration, the portion of the indebtedness secured by such mortgage that is applicable or allocable to the Non-Residential Unit in question (as reasonably determined by the Construction Lender in the case of the Office Unit, Retail Unit, Garage Unit and any Unsold Residential Unit), may not be assumed and must be fully satisfied in connection with any such purchase or other acquisition of such Unit), in the name of the Condominium Board or its designee (corporate or otherwise), on behalf of all Unit Owners, and after any such acquisition, to convey, sell, lease, license, mortgage or otherwise deal with (but not vote the Common Interests appurtenant to) any such Non-Residential Unit so acquired by them without the necessity of further authorization by the Unit Owners (including, for this purpose, the Residential Unit Owners) or any other Person, on such terms as the attorneys-in-fact may determine; and (iv) to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property or the Condominium which the Condominium Board deems reasonably necessary or appropriate to comply with any Laws applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or the Condominium; or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property or the Condominium that the Condominium Board deems necessary or appropriate, provided that in no event shall the Condominium Board execute, acknowledge

and deliver any document pursuant to clause (iv)(b) of this sentence prior to the approval thereof by any Unit Owner(s) whose Area or Section is affected, unless such approval is expressly not required under any of the provisions hereof or of the Condominium By-Laws. Except for item "(ii)" in this Section 16.1, all of the foregoing actions shall require a Common Interest Vote of 66-²/₃% by the Condominium Board. Without limiting any other provision hereof, all powers granted and actions taken pursuant to this Section 16.1 are subject in all respects to the Restrictions Instrument.

16.2 From Residential Unit Owners. Each Residential Unit Owner shall grant to the persons who shall from time to time constitute:

(i) the Residential Board of such Residential Unit Owner's Residential Section, an irrevocable power of attorney, coupled with an interest (in such form and with such content as the applicable Residential Board shall determine) to: (a) acquire or lease on behalf of all Residential Unit Owners in such Residential Section any Residential Unit therein, together with its Appurtenant Interests, whose owner desires to sell, convey, transfer, assign or lease the same; (b) acquire any such Residential Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same pursuant to the terms of the applicable Residential By-Laws; (c) purchase or otherwise acquire any such Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, or with respect to which liens for real estate taxes are being sold, in each case on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper (except that for so long as the Construction Lender is the holder of a mortgage encumbering an Unsold Residential Unit on the date of the recording of this Declaration, any indebtedness, to the extent applicable or allocable to such Unsold Residential Unit as reasonably determined by the Construction Lender, secured by such mortgage may not be assumed and must be fully satisfied in connection with any such purchase or other acquisition of such Unit) and in the name of the applicable Residential Board or its designee (corporate or otherwise), on behalf of all Residential Unit Owners in such Residential Section, and after any such acquisition or leasing, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the Common Interests appurtenant to) any such Residential Unit so acquired by them, or to sublease any such Residential Unit so leased by them without the necessity of further authorization by the applicable Residential Unit Owners or any other Person, on such terms as the attorneys-in-fact may determine; and (d) execute, acknowledge and deliver: (1) any declaration or other instrument affecting a Residential Section which the Residential Board in question deems necessary or appropriate to comply with any Laws applicable only to the maintenance, demolition, construction, alteration, repair or restoration of the applicable Residential Section, or (2) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting only such Residential Section which such Residential Board, in its reasonable discretion, deems necessary or appropriate.

(ii) the Condominium Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Residential Board of such Residential Unit Owner's Residential Section shall determine) to: (a) purchase or otherwise acquire in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, title to any Non-Residential Unit, together with its Appurtenant Interests: (1) in connection with the enforcement of the Condominium Board's lien for unpaid General Common Charges; or (2) that becomes the subject of a foreclosure or other similar sale; on such terms, including, without limitation, price (with respect to clause (2) immediately above) as said attorneys-in-fact shall deem proper (except that for so long as the Construction Lender is the holder of a mortgage encumbering a Non-Residential Unit on the date of the recording of this Declaration, any indebtedness, to the extent applicable or allocable to such Non-Residential Unit as reasonably determined by the Construction Lender, secured by such mortgage may not be assumed and must be fully satisfied in connection with any such purchase or other acquisition of such Unit); and (b) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common

Interest appurtenant to) any Non-Residential Unit so acquired or to sublease any Non-Residential Unit so leased by them, without the necessity of any authorization by the Unit Owners or any other Person, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in and to said Non-Residential Unit which the undersigned could do if personally present; (c) execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be recorded in the City Register's Office: (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any Laws applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium; or (2) any consent, covenant, restriction, easement or declaration, or amendment thereto, affecting the Condominium, the Residential Sections or any of the Common Elements, that the Condominium Board deems necessary or appropriate, provided that in no event shall the Condominium Board execute, acknowledge and deliver any document pursuant to clause (c)(2) of this sentence prior to the approval thereof by any Unit Owner(s) whose Area or Section is affected, unless such approval is expressly not required under any of the provisions hereof or of the Condominium By-Laws.

(iii) Without limiting any other provision hereof, all powers granted and actions taken pursuant to this Section 16.2 are subject in all respects to the Restrictions Instrument.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 Applicability. All provisions of this Declaration, the Condominium By-Laws and any General Rules and Regulations as may be adopted and amended from time to time, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Unit Owners and all the Occupants, and their heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners and Occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the Condominium By-Laws and the General Rules and Regulations, if any, as they may be amended from time to time.

17.2 Subordination; Non-Disturbance. Notwithstanding anything in Section 17.1, however, at the request of any Non-Residential Unit Owner made from time to time, the Condominium Board shall, at the sole cost and expense of the requesting Unit Owner, execute and deliver a non-disturbance agreement (in the form annexed to this Declaration as Exhibit F or in any such other or changed form as may be agreed upon by the Condominium Board and the requesting Unit Owner, a "Non-Disturbance Agreement") to any Occupant of such Unit Owner's Unit.

17.3 Deemed Acceptance of Condominium Documents; Waiver of Sovereign Immunity. The acceptance of a deed or conveyance, or the succeeding to title to, the acquisition of any interest in, or the entering into a lease, sublease or license for, or the act of occupancy of, all or any portion of any Unit (and/or any Limited Common Elements and/or Exclusive Use General Common Elements appurtenant thereto) (any of the foregoing, a "Condominium Ratification Event") by any Person shall constitute:

(i) an agreement that the provisions of this Declaration, the Condominium By-Laws, the Restrictions Instrument, the General Rules and Regulations (if any), (and in the case of a Residential Unit, the applicable Residential By-Laws and applicable Residential Rules and Regulations), as any of the same may be amended from time to time, are accepted, ratified and will be complied with by such owner or Occupant or other party, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit or Common Element, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or license thereof;

(ii) a waiver of any and all immunity from suit or other actions or proceedings arising in connection with the Condominium Ratification Event, the Property or the Condominium Documents or any provision thereof, and an agreement that should any suit, action or proceeding (including, without limitation, an Arbitration) be brought in New York or any other jurisdiction to enforce any obligation or liability of such Person arising, directly or indirectly, out of or relating to the Condominium Ratification Event, the Property or the Condominium Documents or any provision thereof, no immunity from such suit, action or proceeding will be claimed by or on behalf of such Person; and an acknowledgement and agreement that all such suits, actions or proceedings may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York (or in Arbitration, as provided in the Condominium Documents), and an irrevocable submission of such Person to the jurisdiction of such courts in any such suit, action or proceeding (and so far as is permitted under the applicable law, the foregoing consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon such Person in any such court);

(iii) an agreement that upon the request of the Condominium Board, such Person shall execute, deliver and file all such further instruments as may be necessary in order to make effective and facilitate the consent to jurisdiction and waiver of immunity hereinabove provided, including, without limitation, the designation of a duly authorized and lawful agent in the City of New York to receive process for and on behalf of such Person in any suit, action or proceeding (including Arbitration) in the State of New York; and

(iv) if such Person is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4305, an agreement to notify the United States Department of State prior to or immediately upon the occurrence of such Condominium Ratification Event and to provide a copy of such notice to the Condominium Board.

17.4 Unenforceability. If any provision of this Declaration or the Condominium By-Laws is invalid under, or would cause this Declaration and the Condominium By-Laws to be insufficient to submit the Property to the provisions of, the New York Condominium Act, such provision shall be deemed deleted from this Declaration or the Condominium By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the Unit Owners and their successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the Condominium By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the Condominium By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from this Declaration or the Condominium By-Laws, then such provision shall be deemed included as part of this

Declaration or the Condominium By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the New York Condominium Act.

ARTICLE 18

AMENDMENTS

Article 17 of the Condominium By-Laws is incorporated herein in its entirety; and the provisions of this Declaration may be amended, modified, added to or deleted only in accordance with the terms of such Article.

ARTICLE 19

TERMINATION OF CONDOMINIUM

19.1 The Condominium shall be terminated only: at such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 90% in Common Interest of all Unit Owners; provided, however, that no such vote pursuant to this Section 19.1 by a Non-Residential Unit Owner or by the Initial Residential Grantee with respect to any Unsold Original Residential Units shall be effective unless accompanied by the written consent of its Registered Mortgagee; or, in the case of the Performing Arts Unit, unless accompanied by the written consent of the City.

19.2 Subject to the further provisions of this Section 19.2, to the fullest extent permissible under the law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. If the Condominium is terminated pursuant to Section 19.1 above, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners in the manner provided in Section 12.10.6 of the Condominium By-Laws.

ARTICLE 20

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 21

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

ARTICLE 22

CERTAIN REFERENCES

22.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

22.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

22.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

22.4 All references herein to Schedules and Exhibits shall be (unless otherwise stated) to the Schedules and Exhibits attached hereto, which shall all be made a part hereof and incorporated herein.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Section 17.4 hereof, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforceable to the fullest extent permitted by law.

ARTICLE 24

COVENANT OF FURTHER ASSURANCES

24.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, an Occupant of a Unit, a member or officer of the Condominium Board, a Residential Board or otherwise, shall, at the expense of any such other party (or the holder of a lien on its Unit) requesting the same, execute, acknowledge and deliver to such other party (or the holder of a lien on its Unit) such reasonable instruments, in addition to those specifically provided for herein, and take such other reasonable action, as such other party (or the holder of a lien on its Unit) may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction, provided in all such cases that such other and further instruments or actions shall not impose any liability or substantive obligation on, or constitute a waiver of any rights of, the party from which the same is requested, other than as provided for in the Condominium Documents.

24.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails to either (x) execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which such Unit Owner or other

party is required to perform pursuant to this Declaration, or (y) deliver a written notice within such time period stating reasons why it believes it is not so required, and such failure continues for an additional ten (10) day period following receipt of a second written request therefor (together with written advice that the requesting party shall be entitled to take action upon the recipient's failure or refusal to perform), then the Condominium Board or Residential Board, as the case may be, which represents such Unit Owner or other party is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

IN WITNESS WHEREOF, Declarant (and each of the Persons comprising Declarant)
have caused this Declaration to be executed as of the ____ day of _____, 2003.

DECLARANT:
COLUMBUS CENTRE LLC

By: _____
Name:
Title:

PARTIES COMPRISING DECLARANT:
COLUMBUS CENTRE RESIDENTIAL LLC

By: _____
Name:
Title:

COLUMBUS CENTRE RETAIL LLC

By: _____
Name:
Title:

COLUMBUS CENTRE OFFICE LLC

By: _____
Name:
Title:

COLUMBUS CENTRE HOTEL LLC

By: _____
Name:
Title:

COLUMBUS CENTRE GARAGE LLC

By: _____
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION, AS
SUCCESSOR TRUSTEE TO STATE STREET BANK
AND TRUST COMPANY OF CONNECTICUT,
NATIONAL ASSOCIATION, NOT IN ITS
INDIVIDUAL CAPACITY BUT SOLELY AS
CERTIFICATE TRUSTEE

By: _____
Name:
Title:

COLUMBUS CENTRE DEVELOPER LLC

By: _____
Name:
Title:

Acknowledgement and consent
by the Performing Arts Unit Owner:

JAZZ AT LINCOLN CENTER, INC.

By: _____
Name:
Title:

Acknowledgment and consent
with respect to Section 1.6:

AOL TIME WARNER INC.

By: _____
Name:
Title:

ACKNOWLEDGEMENT

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____ in the year 2003 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SCHEDULE A

**TO DECLARATION ESTABLISHING
CONDOMINIUM OWNERSHIP OF
AOL TIME WARNER CENTER, NEW YORK, NEW YORK**

AOL TIME WARNER CENTER CONDOMINIUM

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the westerly line of Eighth Avenue with the northerly line of West 58th Street;

RUNNING THENCE westerly along the northerly side of West 58th Street, 492 feet to a point thereon distant 308 feet east of the easterly line of Ninth Avenue;

RUNNING THENCE northerly along a line parallel with the easterly line of Ninth Avenue, 421 feet 8 inches to the southerly side of West 60th Street;

RUNNING THENCE easterly along the southerly side of West 60th Street, 286 feet 9-1/2 inches to the westerly side of Broadway;

RUNNING THENCE southerly along the westerly side of Broadway, 116 feet 10-3/4 inches to the northwesterly side of Columbus Circle;

RUNNING THENCE southerly along the westerly side of Columbus Circle on a curve to the left, having an arc distance 381 feet 5 inches, a radius of 216 feet 0 inches, to the westerly line of Eighth Avenue;

RUNNING THENCE southerly along the westerly line of Eighth Avenue, 20 feet 8-1/2 inches to the corner at the point or place of BEGINNING.

SCHEDULE B-1

THE NON-RESIDENTIAL UNITS

SCHEDULE B-2

THE NT RESIDENTIAL UNITS

SCHEDULE B-3

THE ST RESIDENTIAL UNITS

SCHEDULE B-1
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF
AOL TIME WARNER CENTER CONDOMINIUM
Description of Non-Residential Units

Unit Designation	Tax Lot Number	Location (Floors within Building where Unit space is located)	Approx. Sq. Ft. Area	Appurtenant Common Interest
Garage Unit	1001	P-3/C-2, P-2/C-1, P-1	114,010	4.9868%
Retail Unit	1002	P-3/C-2, P-2/C-1, Ground, Mezz., 2, 3, 4	419,019	19.0938%
Performing Arts Unit	1003	4, 4/Mezz., 5, 6, 7	132,060	6.1068%
Time Warner Unit	1004	P-3/C-2, P-1, Ground, 4, 5, 6, 7, 8, 9, 10, N-16/S-11, N-17/S-12, S-14, S-15, S-16, S-17, S-18, S-19, S-20, S-21	673,148	31.7861%
Office Unit	1005	N-18, N-19, N-20	143,175	6.8262%
Hotel Unit	1006	N-41, N-42, N-43, N-45, N-46, N-47, N-49, N-50, N-51, N-52, N-53, N-54	213,240	10.4082%
				79.2079%

SCHEDULE B-2
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF AOL TIME WARNER CENTER CONDOMINIUM
Description of NT (North Tower) Residential Units

Unit Designation	Tax Lot Number	Location (i.e., in portion of North Tower of building facing direction(s) shown below)	Approx. Sq. Ft. Area	Bedrooms/Bathrooms	Appurtenant Common Interest	Proportionate Share of Aggregate NT Residential Section Common Interest	Common Elements to Which Unit Has Immediate Access	Special Designation/Features
NT-64A	1139	North-East Corner	1,686	2/2.5	0.0770%	1.0466%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-64B	1140	East	1,687	2/2.5	0.0771%	1.0479%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-64C	1141	South-East Corner	1,375	2/2	0.0630%	0.8560%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-64D	1142	West	2,072	3/3	0.0946%	1.2862%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-64E	1143	West	1,541	2/2	0.0704%	0.9572%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-64F	1144	North-West Corner	938	1/1.5	0.0429%	0.5835%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-65A	1145	North-East Corner	1,709	2/2.5	0.0780%	1.0605%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-65B	1146	East	1,673	2/2.5	0.0765%	1.0400%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-65C	1147	South-East Corner	1,375	2/2	0.0630%	0.8562%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-65D	1148	West	2,158	3/3.5	0.0986%	1.3405%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-65E	1149	West	1,427	2/2	0.0652%	0.8860%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-65F	1150	North-West Corner	938	1/1.5	0.0429%	0.5836%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-66A	1151	North-East Corner	1,729	2/2.5	0.0790%	1.0737%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-66B	1152	East	1,869	2/2.5	0.0856%	1.1638%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-66C	1153	South-East Corner	1,376	2/2	0.0630%	0.8564%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-66D	1154	West	2,158	3/3.5	0.0986%	1.3408%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-66E	1155	West	1,757	2/2.5	0.0798%	1.0849%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-66F	1156	North-West Corner	938	1/1.5	0.0429%	0.5838%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-67A	1157	North-East Corner	1,653	2/2.5	0.0755%	1.0268%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-67B	1158	East	1,746	2/2.5	0.0799%	1.0858%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-67C	1159	South-East Corner	1,663	2/2.5	0.0760%	1.0336%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-67D	1160	West	2,214	3/3.5	0.1014%	1.3783%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-67E	1161	West	1,490	2/2	0.0680%	0.9243%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-67F	1162	North-West Corner	1,173	2/2	0.0539%	0.7323%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-68A	1163	North-East Corner	1,653	2/2.5	0.0755%	1.0270%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-68B	1164	East	1,746	2/2.5	0.0799%	1.0860%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-68C	1165	South-East Corner	1,663	2/2.5	0.0760%	1.0338%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-68D	1166	West	2,214	3/3.5	0.1014%	1.3786%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-68E	1167	West	1,490	2/2	0.0680%	0.9244%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-68F	1168	North-West Corner	1,173	2/2	0.0539%	0.7325%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-69A	1169	North-East Corner	1,653	2/2.5	0.0756%	1.0272%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-69B	1170	East	1,746	2/2.5	0.0799%	1.0862%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-69C	1171	South-East Corner	1,663	2/2.5	0.0761%	1.0340%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-69D	1172	West	2,214	3/3.5	0.1014%	1.3789%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-69E	1173	West	1,490	2/2	0.0680%	0.9246%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-69F	1174	North-West Corner	1,173	2/2	0.0539%	0.7326%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-70A	1175	North-East Corner	2,413	3/3.5	0.1103%	1.4997%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-70B	1176	South-East Corner	2,912	3/3.5	0.1330%	1.8086%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-70C	1177	West	3,165	3/4.5	0.1448%	1.9690%	Hallways, Fire Stairs, Elevators, Garbage Disposal	

SCHEDULE B-2
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF AOL TIME WARNER CENTER CONDOMINIUM
Description of NT (North Tower) Residential Units

Unit Designation	Tax Lot Number	Location (i.e., in portion of North Tower of building facing direction(s) shown below)	Approx. Sq. Ft. Area	Bedrooms/ Bathrooms	Appurtenant Common Interest	Proportionate Share of Aggregate NT Residential Section Common Interest	Common Elements to Which Unit Has Immediate Access	Special Designation/ Features
NT-70E	1178	North-West Corner	1,561	2/2.5	0.0720%	0.9789%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-71A	1179	North-East Corner	2,413	3/3.5	0.1103%	1.5000%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-71B	1180	South-East Corner	2,912	3/3.5	0.1331%	1.8090%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-71C	1181	West	3,165	3/4.5	0.1449%	1.9694%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-71E	1182	North-West Corner	1,561	2/2.5	0.0720%	0.9791%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-72A	1183	North-East Corner	2,413	3/3.5	0.1104%	1.5003%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-72B	1184	South-East Corner	2,912	3/3.5	0.1331%	1.8093%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-72C	1185	West	3,165	3/4.5	0.1449%	1.9698%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-72E	1186	North-West Corner	1,561	2/2.5	0.0720%	0.9793%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-73A	1187	North-East Corner	2,413	3/3.5	0.1104%	1.5006%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-73B	1188	South-East Corner	2,912	3/3.5	0.1331%	1.8097%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-73C	1189	West	3,165	3/4.5	0.1449%	1.9702%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-73E	1190	North-West Corner	1,561	2/2.5	0.0720%	0.9795%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-74A	1191	North-East Corner	2,413	3/3.5	0.1104%	1.5009%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-74B	1192	South-East Corner	2,912	3/3.5	0.1331%	1.8101%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-74C	1193	West	3,165	3/4.5	0.1449%	1.9705%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-74E	1194	North-West Corner	1,561	2/2.5	0.0721%	0.9797%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-75A	1195	North-East Corner	2,413	3/3.5	0.1108%	1.5058%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-75B	1196	South-East Corner	2,912	3/3.5	0.1332%	1.8104%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-75C	1197	West	3,165	3/4.5	0.1450%	1.9709%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-75E	1198	North-West Corner	1,561	2/2.5	0.0721%	0.9799%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-PH76A	1199	North	6,511	4/7.5	0.3465%	4.7105%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Terrace, Duplex
NT-PH76B	1200	South	4,825	3/5.5	0.2232%	3.0341%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Terrace
NT-PH77B	1201	South	4,825	3/5.5	0.2157%	2.9329%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-PH78	1202	Full Floor	8,290	FULL FLOOR	0.3815%	5.1868%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-PH79	1203	Full Floor	8,290	FULL FLOOR	0.3816%	5.1878%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
NT-PH80	1204	Full Floor	8,287	FULL FLOOR	0.3820%	5.1928%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
			159,566		7.3555%	100.0000%		
(T) = Terrace								
(D) = Duplex								
(S) = Suite Unit								
(R) = Storage Unit								

SCHEDULE B-3
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF AOL TIME WARNER CENTER CONDOMINIUM
Description of ST (South Tower) Residential Units

Unit Designation	Tax Lot Number	Location (i.e., in portion of South Tower of building facing direction(s) shown below)	Approx. Sq. Ft. Area	Bedrooms/Bathrooms	Appurtenant Common Interest	Proportionate Share of Aggregate ST Residential Section Common Interest	Common Elements to Which Unit Has Immediate Access	Special Designation/Features
ST-51A	1007	West	1032	2/1	0.0479%	0.3567%	Hallways, Fire Stairs, Elevators, Garbage Disposal, Playroom, Health Club, Screening Room, Lounge, Laundry Room	Suite
ST-51B	1008	West	326	0/1	0.0151%	0.1122%	Hallways, Fire Stairs, Elevators, Garbage Disposal, Playroom, Health Club, Screening Room, Lounge, Laundry Room	Suite
ST-51C	1009	North-West Corner	816	1/1	0.0369%	0.2749%	Hallways, Fire Stairs, Elevators, Garbage Disposal, Playroom, Health Club, Screening Room, Lounge, Laundry Room	Suite
ST-51D	1010	North	369	0/1	0.0172%	0.1278%	Hallways, Fire Stairs, Elevators, Garbage Disposal, Playroom, Health Club, Screening Room, Lounge, Laundry Room	Suite
ST-51E	1011	North	337	0/1	0.0154%	0.1150%	Hallways, Fire Stairs, Elevators, Garbage Disposal, Playroom, Health Club, Screening Room, Lounge, Laundry Room	Suite
ST-51F	1012	North	386	0/1	0.0181%	0.1347%	Hallways, Fire Stairs, Elevators, Garbage Disposal, Playroom, Health Club, Screening Room, Lounge, Laundry Room	Suite
ST-51G	1013	North-East Corner	406	0/1	0.0187%	0.1395%	Hallways, Fire Stairs, Elevators, Garbage Disposal, Playroom, Health Club, Screening Room, Lounge, Laundry Room	Suite
ST-52A	1014	North-East Corner	1980	3/3	0.0926%	0.6892%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-52B	1015	East	1819	2/2.5	0.0853%	0.6348%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-52C	1016	East	2016	2/2.5	0.0953%	0.7090%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-52D	1017	South-East Corner	1859	3/3	0.0868%	0.6459%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-52E	1018	West	1423	2/2.5	0.0668%	0.4970%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-52F	1019	West	1284	2/2	0.0598%	0.4450%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-52G	1020	North-West Corner	1594	2/2.5	0.0743%	0.5532%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-53B	1021	East	1819	2/2.5	0.0853%	0.6349%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-53D	1022	South-East Corner	1859	3/3	0.0868%	0.6460%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-53E	1023	West	1423	2/2.5	0.0668%	0.4971%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-53F	1024	West	1284	2/2	0.0598%	0.4451%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-53G	1025	North-West Corner	1594	2/2.5	0.0744%	0.5534%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-54A	1026	North-East Corner	1980	3/3	0.0926%	0.6895%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-54B	1027	East	1819	2/2.5	0.0853%	0.6350%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-54C	1028	East	2016	2/2.5	0.0953%	0.7093%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-54D	1029	South-East Corner	1859	3/3	0.0868%	0.6461%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-54E	1030	West	1423	2/2.5	0.0668%	0.4972%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-54F	1031	West	1284	2/2	0.0598%	0.4452%	Hallways, Fire Stairs, Elevators, Garbage Disposal	

SCHEDULE B-3
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF AOL TIME WARNER CENTER CONDOMINIUM
Description of ST (South Tower) Residential Units

Unit Designation	Tax Lot Number	Location (i.e., in portion of South Tower of building facing direction(s) shown below)	Approx. Sq. Ft. Area	Bedrooms/Bathrooms	Appurtenant Common Interest	Proportionate Share of Aggregate ST Residential Section Common Interest	Common Elements to Which Unit Has Immediate Access	Special Designation/Features
ST-54G	1032	North-West Corner	1594	2/2.5	0.0744%	0.5535%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-55B	1033	East	1819	2/2.5	0.0853%	0.6351%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-55D	1034	South-East Corner	1859	3/3	0.0868%	0.6462%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-55E	1035	West	1423	2/2.5	0.0668%	0.4973%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-55F	1036	West	1284	2/2	0.0598%	0.4453%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-55G	1037	North-West Corner	1594	2/2.5	0.0744%	0.5536%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-56A	1038	North-East Corner	1980	3/3	0.0927%	0.6898%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-56B	1039	East	1819	2/2.5	0.0854%	0.6353%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-56C	1040	East	2016	2/2.5	0.0953%	0.7095%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-56D	1041	South-East Corner	1859	3/3	0.0869%	0.6464%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-56E	1042	West	1423	2/2.5	0.0668%	0.4974%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-56F	1043	West	1284	2/2	0.0598%	0.4454%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-56G	1044	North-West Corner	1594	2/2.5	0.0744%	0.5537%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-57B	1045	East	1819	2/2.5	0.0854%	0.6354%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-57D	1046	South-East Corner	1859	3/3	0.0869%	0.6465%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-57E	1047	West	1423	2/2.5	0.0669%	0.4975%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-57F	1048	West	1284	2/2	0.0599%	0.4455%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-57G	1049	North-West Corner	1594	2/2.5	0.0744%	0.5538%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-58A	1050	North-East Corner	1980	3/3	0.0927%	0.6900%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-58B	1051	East	1819	2/2.5	0.0854%	0.6355%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-58C	1052	East	2016	2/2.5	0.0954%	0.7098%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-58D	1053	South-East Corner	1859	3/3	0.0869%	0.6466%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-58E	1054	West	1423	2/2.5	0.0669%	0.4976%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-58F	1055	West	1284	2/2	0.0599%	0.4456%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-58G	1056	North-West Corner	1594	2/2.5	0.0744%	0.5539%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-59B	1057	East	1819	2/2.5	0.0854%	0.6356%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-59D	1058	South-East Corner	1859	3/3	0.0869%	0.6468%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-59E	1059	West	1423	2/2.5	0.0669%	0.4977%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-59F	1060	West	1284	2/2	0.0599%	0.4456%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-59G	1061	North-West Corner	1594	2/2.5	0.0744%	0.5540%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-60A	1062	North-East Corner	1980	3/3	0.0928%	0.6903%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-60B	1063	East	1819	2/2.5	0.0854%	0.6358%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-60C	1064	East	2016	2/2.5	0.0954%	0.7101%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-60D	1065	South-East Corner	1859	3/3	0.0869%	0.6469%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-60E	1066	West	1423	2/2.5	0.0669%	0.4978%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-60F	1067	West	1284	2/2	0.0599%	0.4457%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-60G	1068	North-West Corner	1594	2/2.5	0.0745%	0.5541%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-61B	1069	East	1819	2/2.5	0.0854%	0.6359%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-61D	1070	South-East Corner	1859	3/3	0.0869%	0.6470%	Hallways, Fire Stairs, Elevators, Garbage Disposal	

SCHEDULE B-3
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF AOL TIME WARNER CENTER CONDOMINIUM
Description of ST (South Tower) Residential Units

Unit Designation	Tax Lot Number	Location (i.e., in portion of South Tower of building facing direction(s) shown below)	Approx. Sq. Ft. Area	Bedrooms/Bathrooms	Appurtenant Common Interest	Proportionate Share of Aggregate ST Residential Section Common Interest	Common Elements to Which Unit Has Immediate Access	Special Designation/Features
ST-61E	1071	West	1423	2/2.5	0.0669%	0.4979%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-61F	1072	West	1284	2/2	0.0599%	0.4458%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-61G	1073	North-West Corner	1594	2/2.5	0.0745%	0.5542%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-62A	1074	North	2623	3/3.5	0.1229%	0.9148%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-62B	1075	East	1819	2/2.5	0.0855%	0.6360%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-62CE	1076	South-East Corner	4366	5/7	0.2043%	1.5206%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-62F	1077	West	1284	2/2	0.0599%	0.4459%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-63A	1078	North	2623	3/3.5	0.1229%	0.9149%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-63B	1079	East	1819	2/2.5	0.0855%	0.6362%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-63C	1080	South-East Corner	2943	4/4.5	0.1374%	1.0227%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-63E	1081	West	1423	2/2.5	0.0669%	0.4981%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-63F	1082	West	1284	2/2	0.0599%	0.4460%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-64A	1083	North	2623	3/3.5	0.1230%	0.9151%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-64B	1084	East	1819	2/2.5	0.0855%	0.6363%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-64CE	1085	South-East Corner	4366	5/7	0.2044%	1.5212%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-64F	1086	West	1284	2/2	0.0599%	0.4461%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-65A	1087	North	2623	3/3.5	0.1230%	0.9153%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-65B	1088	East	1819	2/2.5	0.0855%	0.6364%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-65C	1089	South-East Corner	2943	4/4.5	0.1375%	1.0231%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-65E	1090	West	1423	2/2.5	0.0670%	0.4983%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-65F	1091	West	1284	2/2	0.0600%	0.4462%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-66A	1092	North	2623	3/3.5	0.1230%	0.9155%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-66B	1093	East	1819	2/2.5	0.0855%	0.6365%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-66C	1094	South-East Corner	2943	4/4.5	0.1375%	1.0233%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-66E	1095	West	1423	2/2.5	0.0670%	0.4984%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-66F	1096	West	1284	2/2	0.0600%	0.4463%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-67A	1097	North	2623	3/3.5	0.1230%	0.9157%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-67B	1098	East	2310	3/3.5	0.1083%	0.8061%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-67C	1099	South-East Corner	2403	3/3.5	0.1129%	0.8405%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-67E	1100	West	1423	2/2.5	0.0670%	0.4985%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-67F	1101	West	1284	2/2	0.0600%	0.4464%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-68A	1102	North	2623	3/3.5	0.1231%	0.9159%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-68B	1103	East	2310	3/3.5	0.1083%	0.8063%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-68C	1104	South-East Corner	2403	3/3.5	0.1130%	0.8407%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-68E	1105	West	1423	2/2.5	0.0670%	0.4986%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-68F	1106	West	1284	2/2	0.0600%	0.4464%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-69A	1107	North	2623	3/3.5	0.1231%	0.9160%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-69B	1108	East	2310	3/3.5	0.1084%	0.8064%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-69C	1109	South-East Corner	2403	3/3.5	0.1130%	0.8409%	Hallways, Fire Stairs, Elevators, Garbage Disposal	

SCHEDULE B-3
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF AOL TIME WARNER CENTER CONDOMINIUM
Description of ST (South Tower) Residential Units

Unit Designation	Tax Lot Number	Location (i.e., in portion of South Tower of building facing direction(s) shown below)	Approx. Sq. Ft. Area	Bedrooms/ Bathrooms	Appurtenant Common Interest	Proportionate Share of Aggregate ST Residential Section Common Interest	Common Elements to Which Unit Has Immediate Access	Special Designation/ Features
ST-69E	1110	West	1423	2/2.5	0.0670%	0.4987%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-69F	1111	West	1284	2/2	0.0600%	0.4465%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-70A	1112	North	3902	4/5.5	0.1834%	1.3646%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-70B	1113	East	3474	4/5.5	0.1633%	1.2153%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-70C	1114	South-East Corner	3035	3/4.5	0.1416%	1.0537%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-70E	1115	West	1420	2/2.5	0.0670%	0.4988%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-71A	1116	North	3902	4/5.5	0.1834%	1.3649%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-71C	1117	South-East Corner	3035	3/4.5	0.1416%	1.0539%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-71E	1118	West	1420	2/2.5	0.0670%	0.4989%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-72A	1119	North	3902	4/5.5	0.1834%	1.3651%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-72B	1120	East	3474	4/5.5	0.1634%	1.2157%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-72C	1121	South-East Corner	3035	3/4.5	0.1416%	1.0542%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-72E	1122	West	1420	2/2.5	0.0671%	0.4990%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-73A	1123	North	3902	4/5.5	0.1835%	1.3654%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-73C	1124	South-East Corner	3035	3/4.5	0.1417%	1.0544%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-73E	1125	West	1420	2/2.5	0.0671%	0.4991%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-74A	1126	North	3902	4/5.5	0.1835%	1.3657%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-74B	1127	East	3474	4/5.5	0.1634%	1.2162%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Duplex
ST-74C	1128	South-East Corner	3035	3/4.5	0.1417%	1.0546%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-74E	1129	West	1420	2/2.5	0.0671%	0.4992%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-75A	1130	North	3902	4/5.5	0.1835%	1.3660%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-75CE	1131	South	4454	5/7	0.2088%	1.5541%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-PH76A	1132	North	3866	3/4.5	0.1771%	1.3177%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Terrace
ST-PH76B	1133	South	4319	4/5.5	0.2105%	1.5663%	Hallways, Fire Stairs, Elevators, Garbage Disposal	Terrace
ST-PH77A	1134	North	3866	3/4.5	0.1783%	1.3272%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-PH77B	1135	South	4319	4/5.5	0.2091%	1.5562%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-PH78	1136	Full Floor	8275	FULL FLOOR	0.3875%	2.8840%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-PH79	1137	Full Floor	8275	FULL FLOOR	0.3876%	2.8846%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
ST-PH80	1138	Full Floor	8290	FULL FLOOR	0.3877%	2.8852%	Hallways, Fire Stairs, Elevators, Garbage Disposal	
STORAGE UNIT 1	1205	South-West Corner	59	N/A	0.0011%	0.0081%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 2	1206	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 3	1207	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 4	1208	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 5	1209	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 6	1210	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 7	1211	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 8	1212	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 9	1213	South-West Corner	68	N/A	0.0015%	0.0113%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 10	1214	South-West Corner	31	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage

SCHEDULE B-3
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF AOL TIME WARNER CENTER CONDOMINIUM
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STORAGE UNIT 11	1215	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 12	1216	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 13	1217	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 14	1218	South-West Corner	47	N/A	0.0008%	0.0063%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 15	1219	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 16	1220	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 17	1221	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 18	1222	South-West Corner	47	N/A	0.0004%	0.0033%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 19	1223	South-West Corner	32	N/A	0.0005%	0.0038%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 20	1224	South-West Corner	47	N/A	0.0005%	0.0038%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 21	1225	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 22	1226	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 23	1227	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 24	1228	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 25	1229	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 26	1230	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 27	1231	South-West Corner	34	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 28	1232	South-West Corner	32	N/A	0.0007%	0.0054%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 29	1233	South-West Corner	35	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 30	1234	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 31	1235	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 32	1236	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 33	1237	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 34	1238	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 35	1239	South-West Corner	47	N/A	0.0010%	0.0076%	Hallways, Fire Stairs, Elevators	Storage
STORAGE UNIT 36	1240	South-West Corner	47	N/A	0.0008%	0.0060%	Hallways, Fire Stairs, Elevators	Storage
			287,460		13.4366%	100.0000%		
(T) = Terrace								
(D) = Duplex								

EXHIBIT B-2

ST RESIDENTIAL BY-LAWS

EXHIBIT D

Non-Competition Requirements

A. Prohibition of Certain Primary Uses. Until the failure of either or both of the Initial Naming Conditions, the Retail Unit Owner shall not enter into a lease or other occupancy agreement with any entity for the primary (and not incidental) use of:

1. A cable operator or network or internet sales office;
2. A film studio, television network, cable network, radio network, cable channel, cable operator or internet store (excluding local media companies which are not competitive with AOLTW);
3. The retail music store of a major record label, where the tenant is doing business under the name of such label;
4. The retail book store of a major book publisher, where the tenant is doing business under the name of such publishing company;
5. The retail magazine store of a major magazine publisher, where the tenant is doing business under the name of such publishing company;
6. A broadcast, cable, webcast, narrowcast or production studio for, without limitation, music, film, videotape, radio, the internet or television (collectively, "Production Studio"), other than a Production Studio in which the primary content and branding is related to the programming, uses, branding, events, tenants and/or sponsors of any Unit, including without limitation, the Retail Unit, so long as it is not branded for a Prohibited Use or Prohibited Business (each as defined below).
7. A media, entertainment or internet company brand experience or a media, entertainment or internet company brand experience store (excluding companies which are not competitive with AOLTW).

The foregoing items A(1) through (7) are hereinafter referred to collectively as the "Prohibited Primary Uses". In order for a particular Prohibited Primary Use to be applicable, AOLTW must, at the time the Retail Unit Owner is considering entering into the proposed lease, be actively engaged in the production, distribution or sale of the product (e.g., music, books or films) or services being promoted or sold in the proposed retail store. Notwithstanding the foregoing, in no event shall the Retail Unit Owner be prohibited from providing (directly or indirectly) on-sight interactive kiosks or devices or website(s) with respect to the Condominium or the Retail Unit intended to provide services, information, or tenant or sponsor links. The on-sight interactive kiosks or devices or such website(s) referenced in the prior sentence shall not be branded to Prohibited Businesses (as defined below).

B. Prohibition of Certain Entities. Until the failure of either or both of the Initial Naming Conditions:

1. Neither the Retail Unit Owner nor the Office Unit Owner shall allow any entity that is a major participant in one or more Prohibited Businesses (as defined below) to: (a) establish its world headquarters or regional headquarters in either the Office Unit or the Retail Unit; (b) occupy

100,000 square feet or more in the Office Unit; or (c) occupy 100,000 square feet or more in the Retail Unit. As used in the preceding sentence, "Prohibited Business" means any of the following businesses in which AOLTW is then also a major participant: a cable company, a media or entertainment company, a music recording company, a magazine or book publishing company, or an internet portal or gateway, or an internet services company. In addition, until the failure of either or both of the Initial Naming Conditions, neither the Retail Unit Owner nor the Office Unit Owner shall allow MSNBC, CNBC, Charter, AT&T Cable, Cox, Comcast, Cablevision, News Corp., Microsoft, Disney, Yahoo, Bertelsman, Sony, Viacom, Universal Vivendi, RCN, or an internet service provider with over one million subscribers, and their respective subsidiaries, to occupy space for office or retail uses under any circumstances; and

2. The Office Unit Owner shall not enter into a lease with a direct and significant competitor of AOLTW for a Production Studio use. With respect to item B(1)(a) above, the Retail Unit Owner and the Office Unit Owner respectively agree to give AOLTW at least ten (10) business days prior written notice of their intent to enter into a lease for either world or regional headquarters space, so that the parties may agree as to whether the provision of such item B(1)(a) are being complied with.

C. Restrictions on the Time Warner Unit. For so long as: (i) the Retail Unit is being operated for retail purposes; and (ii) either the NT Residential Section or the ST Residential Section is being operated or used as residences, there shall be no retail or residential operations respectively (either directly or by lease, etc.) in the Time Warner Unit, other than: (x) typical lobby and employee services; and (y) retail incidental to a studio store or AOLTW brand experience.

EXHIBIT E

SIGNAGE GUIDELINES

EXHIBIT F

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

This Subordination, Nondisturbance and Attornment Agreement (this "**Agreement**") is made effective as of the ____ day of _____, 20____, by and between the Board of Managers of AOL Time Warner Center Condominium (the "**Board**"), having its office at AOL Time Warner Center (f/k/a 10 Columbus Circle), New York, New York 10019, and

_____, [Insert name of Tenant], a
_____, [Insert type of entity], having an office at
_____, ("**Tenant**").

WITNESSETH:

WHEREAS, _____ [Insert name of applicable Non-Residential Unit Owner] ("**Lessor**") is the owner of the _____ Unit [Insert name of applicable Non-Residential Unit] as defined in that certain Declaration of AOL Time Warner Center Condominium dated as of _____, 2003 (together with the Condominium By-Laws (and all exhibits) annexed thereto, as the same may be amended from time to time in accordance with their terms, the "**Condominium Documents**");

WHEREAS, pursuant to that certain lease dated as of _____ between Lessor and Tenant (such lease, as the same may be assigned, amended or restated from time to time, the "**Lease**"), Lessor leased to Tenant that portion of the Retail Unit which is [more fully described/shown] on Exhibit A attached hereto (the "**Leased Premises**");

WHEREAS, Section ____ of the Lease provides that Tenant shall subordinate the Lease to the Condominium Documents, subject to certain terms and conditions stated in the Lease; and

WHEREAS, as a condition of such subordination the Board has agreed to provide for the non-disturbance of Tenant by the Board, and to provide for the recognition by the Board of the Lease, including all benefits, rights and conditions that Tenant enjoys under the Lease;

NOW, THEREFORE, in consideration of the promises and of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. Tenant covenants and agrees that the Lease and the rights of Tenant thereunder are and shall be at all times subject and subordinate in all respects to the Condominium Documents, including, without limitation, the Board's lien on the Retail Unit for General Common Charges, subject, however, to the provisions of this Agreement.
2. The Board agrees that so long as: (i) the Lease is in full force and effect (including any extension or renewal period thereof which may be exercised in accordance with any option afforded in the Lease to Tenant); and (ii) Tenant is not in default under the Lease beyond any applicable notice and grace period and abides by all of the other provisions hereof, the Lease and Tenant's rights thereunder (including without limitation Tenant's right of possession, use and quiet enjoyment of the Leased Premises) shall not be terminated, altered, disturbed or extinguished by any action of the Board, or any New Owner (as hereinafter defined), including without limitation, by any suit, action or proceeding for the foreclosure of the Leased Premises or otherwise for the enforcement of the Board's rights or

remedies under the Condominium Documents. Notwithstanding anything to the contrary contained in this Agreement, the Board and any New Owner upon becoming the owner of the Retail Unit shall have the right to pursue all rights and remedies set forth under the Lease for any default by Tenant under the Lease beyond any applicable notice and grace period.

3. If the Board shall become the owner of the Retail Unit by reason of the foreclosure or other action described in Paragraph 2 hereof, or the Retail Unit shall be sold as a result of any foreclosure by the Board or transfer of ownership by deed given in lieu of foreclosure by the Board, the Lease shall continue in full force and effect, without necessity for executing any new lease, as a direct lease between Tenant and any subsequent owner of the Retail Unit taking title through the Board (a "New Owner"), as "landlord," and the Board or the New Owner, as the case may be, shall assume the Lease and all obligations of landlord thereunder, upon all of the same terms, covenants and provisions contained in the Lease, provided, however, the Board or the New Owner shall not be:

- (i) bound by any fixed rent which Tenant might have paid for more than one (1) month in advance of its due date under the Lease to any prior landlord (including, without limitation, Lessor); unless otherwise consented to by the Board or the New Owner or unless such prepaid amount is actually received by the Board or the New Owner;

- (ii) liable for any previous act or omission of any prior landlord (including without limitation, Lessor) in violation of the Lease; or

- (iii) subject to any claims, counterclaims, offsets or defenses which Tenant might have against any prior landlord (including, without limitation, Lessor); or

- (iv) liable for the return of any: security deposit; overpayments of taxes, operating expenses, merchant association dues, or other items of additional rent paid in estimates in advance by Tenant subject to subsequent adjustment; other monies which pursuant to the Lease are payable by Lessor to Tenant; or other sums, in each case to the extent not delivered to the Board or the New Owner, as the case may be; or

- (v) obligated to: complete any construction work required to be done by any prior landlord (including, without limitation, Lessor) pursuant to the provisions of the Lease, to reimburse Tenant for any construction work done by Tenant, to make funds available to Tenant in connection with any such construction work, or for any other allowances or cash payments owed by any prior landlord to Tenant.

Tenant hereby agrees that, upon the Board or the New Owner becoming the owner of the Retail Unit pursuant to this Paragraph 3, Tenant shall attorn to the Board or the New Owner (or any subsequent owner), as the case may be, and the Lease shall continue in full force and effect, in accordance with its terms. Nothing contained herein shall be deemed to modify the obligations of the Board under the Condominium Documents.

4. No provision of this Agreement shall be construed to make the Tenant liable for any covenants and obligations of Lessor under the Condominium Documents.

5. Tenant shall give written notice in accordance with Paragraph 6 hereof of any default by Lessor under the Lease to the Board at the same time and in the same manner as given to Lessor.

6. Any notices or communications given under this Agreement shall be in writing and shall be given by overnight couriers or registered or certified mail, return receipt requested, (a) if to the Board, at the address as hereinabove set forth, or such other addresses or persons as the Board may designate by notice in the manner herein set forth, or (b) if to Tenant, at the address of Tenant as hereinabove set forth, or such other address or persons as Tenant may designate by notice in the manner herein set forth. All notices given in accordance with the provisions of this Section shall be effective upon receipt (or refusal of receipt) at the address of the addressee.

7. This Agreement shall bind and inure to the benefit of and be binding upon and enforceable by the parties hereto and their respective successors and assigns.

8. This Agreement contains the entire agreement between the parties and cannot be changed, modified, waived or cancelled except by an agreement in writing executed by the party against whom enforcement of such modification, change, waiver or cancellation is sought.

9. This Agreement and the covenants herein contained are intended to run with and bind all land affected thereby. It is expressly acknowledged and agreed by Lessor and Tenant that as between Lessor and Tenant, the subordination of the Lease to the Condominium Documents effectuated pursuant to this Agreement shall in no way affect Lessor's and/or Tenant's rights and obligations under the Lease.

10. The parties hereto agree to submit this Agreement for recordation in the Register's Office for the City of New York. The parties further agree that this Agreement shall terminate and be void automatically, immediately upon the expiration or earlier termination of the Lease, and without the need for any termination or other agreement being recorded to evidence such termination. Notwithstanding the foregoing and without in any way affecting the automatic termination of this Agreement as aforesaid, the parties agree to execute, deliver and submit for recordation a Memorandum of Termination confirming the termination of this Agreement, promptly following the expiration or earlier termination of the Lease.

11. This Agreement may be executed in counterparts, any one or all which shall be one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Agreement to be duly executed as of the day and year first above written.

The Board:

CONDOMINIUM BOARD OF AOL TIME
WARNER CENTER CONDOMINIUM

By: _____

Name:

Title:

Tenant:

[]

By: _____
Name: _____
Title: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On this ____ day of _____, _____, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On this ____ day of _____, _____, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

EXHIBIT C
(Form of Condominium By-Laws)
(Replaces Plan Exhibit 7A)

BY-LAWS
OF
AOL TIME WARNER CENTER CONDOMINIUM

ARTICLE 1

GENERAL

1.1 **Defined Terms.** All capitalized terms used but which are not separately defined in these Condominium By-Laws shall have the meanings given to such terms in the Declaration or in the Table of Definitions annexed hereto as Exhibit 1 and made a part hereof.

1.2 **Purpose.** The purpose of these Condominium By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium.

1.3 **Principal Office of Condominium.** The principal office of the Condominium shall be located either within the Property or at such other place in the Borough of Manhattan as may be designated from time to time by the Condominium Board.

ARTICLE 2

CONDOMINIUM BOARD

2.1 **General Description of Condominium Board.**

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "**Condominium Board**"). As more particularly set forth in Sections 2.3 and 2.9 (but subject to the provisions of Article 9 hereof governing the composition of the Condominium Board in the event of a subdivision or combination of Non-Residential Unit(s)), the Condominium Board shall consist of eight members (each, a "**Board Member**" or "**Condominium Board Member**").

2.1.2 With respect to the Board Members: (i) the qualifications set forth in the applicable Residential By-Laws for members of the respective Residential Boards shall apply to the Condominium Board Members designated by such Residential Boards; and (ii) no restrictions shall apply as to which person a Non-Residential Unit Owner (or the Initial Residential Grantee, prior to the applicable First Residential Unit Conveyance) may designate from time to time (which designation shall be in writing) to the Condominium Board except that each Board Member (and any proxy) must be a natural person and not an entity.

2.2 **Powers and Duties of Condominium Board, Non-Residential Unit Owners and Residential Boards.**

2.2.1 **General.** (a) The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers

and duties which by Law or the Condominium Documents may not be delegated to the Condominium Board by the Unit Owners). Without limitation but subject to the Condominium Documents, such powers of the Condominium Board shall include determinations which: (i) relate to a Residential Section and affect (to more than a *de minimis* extent) a Non-Residential Area; (ii) relate to a Non-Residential Area and affect (to more than a *de minimis* extent) a Residential Section or another Non-Residential Area; (iii) relate to or affect or involve the General Common Elements; or (iv) relate to or affect (to more than a *de minimis* extent) more than one Residential Section or more than one Non-Residential Area. Subject to the terms of the Condominium Documents, all determinations, however, which do not relate to or affect or involve the General Common Elements, and: (A) do not affect (to more than a *de minimis* extent) any portion of the Building other than a particular Residential Section, shall be made by the Residential Board of such Residential Section; (B) do not affect (to more than a *de minimis* extent) any portion of the Building other than those areas governed by a Sub-Board, as applicable, shall be made by the applicable Sub-Board; and (C) affect only one Non-Residential Area and do not affect (to more than a *de minimis* extent) any other Non-Residential Area, Residential Section or area governed by a Sub-Board, shall be made by the applicable Non-Residential Unit Owner.

(b) All actions taken by the Condominium Board must be consistent with the Project Standards, provided that in no event shall the Condominium Board be required, or have the right, to take any action in violation of Section 6.1.1(g)(x) hereof.

2.2.2 Condominium Board. Subject to, and in accordance with, the provisions of Section 2.2.1, the further provisions of this Section 2.2.2, Sections 2.2.3 through 2.2.9 and Article 6 of these Condominium By-Laws and such other provisions, if any, of the Condominium Documents as may grant to one or more Unit Owner(s) or Residential Board(s) or Board Member(s), as the case may be, rights of approval with respect to certain matters, the Condominium Board shall be entitled to make determinations and take actions with respect to all matters relating to the operation and the administration of the affairs of the Condominium, including, without limitation, the following:

(a) (i) Operation, care, upkeep and maintenance of; (ii) the making of alterations, additions and improvements (collectively, "Alterations") to; and (iii) the making of repairs, restorations and replacements (collectively, "Repairs") of, the General Common Elements (but subject to Section 6.2.2(d) hereof in the case of Exclusive Use General Common Elements) (and the Limited Common Elements as and to the extent provided herein or in the other Condominium Documents), in the condition and otherwise in such manner that the Project Standards are maintained.

(b) Determination and imposition of General Common Charges, preparation and adoption of Budgets as hereinafter provided, and determination and imposition of Special Assessments.

(c) Methods of, and procedures with respect to, collection of General Common Charges and Special Assessments from the General Common Charge Obligors, and the implementation of such methods and procedures.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the General Common Elements (and, as and to the extent provided in the Condominium Documents, the Limited Common Elements).

(e) Promulgation (and amendment) of General Rules and Regulations from time to time.

(f) In the name of the Condominium Board or its designee, on behalf of all Unit Owners: (i) acquiring those Non-Residential Units and Unsold Residential Units that are surrendered to the Condominium Board (to the extent the waiver contained in the Condominium Documents with respect to the right to surrender is inapplicable or unenforceable); (ii) purchasing or otherwise acquiring those Non-Residential Units and Unsold Residential Units with respect to which liens for real estate taxes may be and are being sold in accordance with the Condominium Documents; and (iii) purchasing or otherwise acquiring Units at foreclosure or other similar sales (subject, in the case of a Residential Unit, to the prior right of the applicable Residential Board with respect thereto).

(g) Selling, leasing, licensing, mortgaging and otherwise dealing with Units acquired by the Condominium Board or its designee on behalf of all Unit Owners (it being understood and agreed, however, that the Condominium Board shall not vote the Common Interest or Budget Interest appurtenant to any Units so acquired).

(h) (x) Making Alterations to, and Repairs of, those areas to be maintained by Declarant under the Subway Entrance Agreement, and otherwise assuming and complying with the obligations of Declarant thereunder (the Condominium Board having succeeded to the rights and obligations of Declarant under the Subway Entrance Agreement (other than any obligations with respect to construction of the Work (as such term is used in the Subway Entrance Agreement), which obligations, subject to the terms of the Subway Entrance Agreement, remain with Declarant)) and (y) enforcing the rights of Declarant under the Subway Entrance Agreement.

(i) Making Alterations to, and Repairs of, the General Common Elements (and, as and to the extent provided in the Condominium Documents, the Limited Common Elements) or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

(j) Enforcing obligations hereunder and under the Declaration and the General Rules and Regulations of: (i) each Non-Residential Unit Owner; and (ii) each of the Residential Boards (including, without limitation, the obligation of the applicable Residential Board under the second sentence of Section 13.1.3(a) hereof with respect to an Event of Default by a Residential Unit Owner, if such Event of Default affects (to more than a *de minimis* extent) a Non-Residential Unit Owner or the Condominium Board), including, without limitation, commencing, prosecuting and settling litigation in connection therewith.

(k) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

(l) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss is to be adjusted and settled by the Condominium Board in accordance with Article 12 hereof.

(m) Subject to the provisions of Section 2.2.8 below, borrowing money on behalf of the Condominium.

(n) Organizing (and owning shares of or membership interests in, as the case may be) corporations, limited liability companies and/or other entities to act as designees of the Condominium Board with respect to such matters as the Condominium Board may determine, including,

without limitation, in connection with the acquisition of title to, or the leasing of, Units acquired by the Condominium Board on behalf of all Unit Owners.

(o) Subject to the provisions of Section 2.2.7 below, execution, acknowledgment and delivery of, without limitation: (i) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting the General Common Elements which the Condominium Board deems necessary or appropriate to comply with the Restrictions Instrument, or with any Laws applicable to the maintenance, demolition, construction, Alteration, Repair or restoration of the Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting: (x) the Property or the Condominium which the Condominium Board deems necessary or appropriate; or (y) a Unit, if the owner of such Unit (or a Residential Board on behalf of such Unit Owner) requests, or under the Condominium Documents is required to request, that the Condominium Board take such action, and/or (except as otherwise provided in the Condominium Documents) the Condominium Board determines that taking such action is appropriate.

(p) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to any or all of the Non-Residential Units for the benefit and on behalf of the respective Unit Owners thereof; but only to the extent requested and authorized to do so, in writing, by the respective Unit Owners thereof and provided such Unit Owners indemnify the Condominium Board and all other Unit Owners from and against all claims, liabilities, losses, damages, costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) (collectively, "Costs") resulting from or incurred in connection with such proceedings.

(q) Preparation, execution and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, of a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws; and preparation, execution and recording, on behalf of a Residential Board or Sub-Board and at such Board's expense, as such Board's attorney-in-fact, coupled with an interest, a restatement of the Residential or Sub-By-Laws applicable to such Board, whenever, in such Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to such Residential or Sub-By-Laws.

(r) Commencing, prosecuting and settling litigation and arbitration proceedings against third parties, and defending and settling litigation and arbitration proceedings against the Condominium and/or the Condominium Board.

(s) Obtaining and reviewing insurance in respect of the Property in accordance with the requirements of Article 12 hereof, and changing any of the insurance requirements set forth therein.

(t) Making contributions to civic, neighborhood and other not-for-profit or political organizations whose activities directly benefit the Building as a whole (as opposed to any particular Unit, or group of Units other than all Units) (any such organization, a "Covered Organization").

Subject to any specific provisions in these By-Laws and the Declaration to the contrary, all determinations made and actions taken by the Condominium Board shall be made or taken on the basis of a Majority Member Vote; provided, however, that

(1) all determinations made and actions taken in accordance with clauses (a), (b), (h) and (i) of this Section 2.2.2 shall be on the basis of the required Budget Interest Vote for the applicable Cost Control Category in accordance with Article 6 hereof;

(2) all determinations made and actions taken in accordance with clause (e) of this Section 2.2.2 shall be subject to Article 16 hereof and on the basis of a Common Interest Vote of $66\frac{2}{3}\%$; provided, however, that (A) subject to clause (B) of this paragraph (2), such determinations and actions with respect to General Rules and Regulations that relate to a particular portion of the Property (including, without limitation, the Loading Dock), and/or a particular service or activity, which is covered by a Cost Control Category other than the "General" Cost Control Category shall be on the basis of a Majority Budget Interest Vote; (B) no General Rule and Regulation with respect to the Loading Dock that requires, or will cause, trucks to be queued in front of a Unit Owner's main entrance to the Building shall be promulgated without the approval of the Board Member representing such Unit Owner; and (C) such determinations and actions with respect to General Rules and Regulations of the type described in Section 12.5 hereof shall be on the basis of a Majority Common Interest Vote;

(3) no vote shall be required in connection with actions taken in accordance with clauses (p) and (q), and (to the extent the applicable acquisition is required by Laws) subclause (i) of clause (f), of this Section 2.2.2;

(4) no vote shall be required in connection with any action taken under subclause (ii)(y) of clause (o) of this Section 2.2.2 if the Condominium Board is expressly required to take such action under any provision hereof or of the Declaration;

(5) all determinations made and actions taken under subclauses (f)(ii) and (f)(iii), and clauses (g) (with respect to the sale of Units only), (l) (with respect to insurance claims in excess of \$2,000,000 only) and (r) (with respect to any settlement of any litigation or arbitration resulting in liability to the Condominium in excess of \$2,000,000 only) of this Section 2.2.2 shall be on the basis of a Common Interest Vote of $66\frac{2}{3}\%$;

(6) for purposes of voting with respect to determinations made and actions taken under clause (j) of this Section 2.2.2, the Unit Owner alleged to be in default, and all other Unit Owners that are Affiliates thereof, shall be deemed to not be Unit Owners in Good Standing;

(7) to the extent any determination made or action taken under clause (d) of this Section 2.2.2 relates to a particular portion of the Property, and/or a particular service or activity, which is covered by a Cost Control Category other than the "General" Cost Control Category, such determinations and actions shall be on the basis of a Majority Budget Interest Vote;

(8) any determination to change any of the insurance requirements set forth in Article 12 hereof shall (i) if such requirement relates to the General Common Elements, and the determination is to reduce such requirement (whether as to amount, scope or otherwise), require a Common Interest Vote of $66\frac{2}{3}\%$; (ii) if such requirement relates to the General Common Elements and the determination would, by itself, result in a Budget Threshold for the "General" Cost Control Category being exceeded, require a Common Interest Vote of $66\frac{2}{3}\%$ and (iii) if such requirement relates to Residential Units only, be made by the applicable Residential Board (subject to the applicable Residential By-Laws) only without having to obtain the consent of any other Person, provided that no Residential Board shall have the right to reduce the required insurance amount set forth in Section 12.3.1 hereof without a Common Interest Vote of $66\frac{2}{3}\%$ approving such reduction; and

(9) all actions taken in accordance with clause (t) of this Section 2.2.2 shall be on the basis of a Common Interest Vote of 66²/3%.

2.2.3 Non-Residential Unit Owners. Subject to, and in accordance with, the provisions of Sections 2.2.1 and 2.2.2 hereof (and without limiting the generality thereof) and Section 9.4.4 hereof, each of the Non-Residential Unit Owners shall be entitled to make determinations with respect to all matters relating exclusively to its Non-Residential Area and the operation, care, upkeep, maintenance and administration of the affairs thereof, including, without limitation, the making of Repairs of, and performance of Alterations to, its appurtenant Limited Common Elements, subject, however to those provisions in the Declaration and these Condominium By-Laws that provide otherwise and/or that set forth restrictions on the right to make such determinations.

2.2.4 Residential Boards and Residential Unit Owners. Each of the Residential Sections and Residential Boards will be governed by its respective Residential By-Laws as well as by the Declaration and the applicable provisions of these By-Laws; and subject to, and in accordance with, the provisions of Sections 2.2.1 and 2.2.2 hereof (and without limiting the generality thereof), each Residential Board shall be entitled to make determinations with respect to matters relating exclusively to its Residential Section and to the operation, care, upkeep, maintenance and administration of the affairs thereof, including, without limitation, the making of Repairs of, and performance of Alterations to, its Residential Limited Common Elements, and shall have the powers and duties described in the applicable Residential By-Laws, subject, however, to the rights of the Residential Unit Owners as may be provided in the applicable Residential By-Laws and to those provisions in the Declaration and these Condominium By-Laws that provide otherwise and/or that set forth restrictions on the right to make such determinations. In addition, except as may otherwise be provided in (and subject to) the Condominium Documents, each of the Residential Unit Owners shall have such powers as are permitted by Law, and shall be entitled to make determinations, with respect to all matters relating exclusively to their respective Residential Units.

2.2.5 Agents for the Boards and Non-Residential Unit Owners. (a) Any action required or permitted to be taken by the Condominium Board pursuant to the provisions of the Condominium Documents shall be done or performed by the Condominium Board or on behalf of the Condominium Board and at its direction by the agents, officers, employees or designees of the Condominium Board, and the Condominium Board may employ one or more managing agents and/or managers, at a compensation established by the Condominium Board, to perform such duties and services as the Condominium Board shall authorize, except (unless in specific instances provided in the Condominium Documents or as otherwise authorized by a Unanimous vote of the Condominium Board) in connection with the actions set forth in subparagraphs 2.2.2(b), (e), (f), (g), (j), (k), (l), (m), (n), (o), (p), (q) and (r) hereof.

(b) Any action required or permitted to be taken by any Residential Board or Sub-Board pursuant to the provisions of these By-Laws, the Declaration or the applicable Residential By-Laws or Sub-By-Laws, shall be done or performed by such Board or on behalf of such Board and at its direction by the agents, officers, employees or designees of such Board, and such Board may employ one or more managing agents and/or managers, at a compensation established by such Board, to perform such duties and services as the Board in question shall authorize in accordance with the applicable Residential By-Laws or Sub-By-Laws.

(c) Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by a Non-Residential Unit Owner shall be done and performed by such Non-Residential Unit Owner or on its behalf and at its direction by the agents, officers, employees or designees of such Non-Residential Unit Owner, and each Non-Residential Unit Owner may employ one

or more managing agents and/or managers, at a compensation established by such Non-Residential Unit Owner, to perform such duties and services as the Non-Residential Unit Owner shall authorize.

(d) Subject to the limitations set forth in this Section 2.2.5, any of the Non-Residential Unit Owners, the Condominium Board and/or the other Boards may by mutual agreement employ the same managing agent(s) and/or manager(s).

2.2.6 Board as Agent. Any action required or permitted to be taken pursuant to the provisions of the Condominium Documents by a Non-Residential Unit Owner, Residential Board or Sub-Board shall, if required by applicable Laws, be taken by the Non-Residential Unit Owner or the applicable Board in the name of the Condominium Board which shall, upon request (at the sole expense of the Non-Residential Unit Owner or Board making such request or taking such action), execute, acknowledge and deliver any and all instruments, documents or applications in connection therewith; provided, however, that: (i) no such action shall be taken in the name of the Condominium Board except upon at least fifteen (15) Business Days' advance notice delivered to the Condominium Board and to each of the Non-Residential Unit Owners and Residential Boards (unless such action is required in connection with an Emergency, in which event only such prior notice as is practicable under the circumstances (which may be, but shall not be presumed to be, none) shall apply and if no prior notice is given, notice shall be given promptly thereafter), which notice shall specify the action proposed to be taken, the grounds upon which the Non-Residential Unit Owner or the applicable Board is entitled to take such action, and shall include complete and accurate copies of all documents proposed to be executed or filed in connection with the exercise of the rights provided in this Section; and (ii) the Non-Residential Unit Owner or the Board making such request or taking such action shall, subject to the provisions of Section 2.11, indemnify and hold harmless all other Boards and all other Unit Owners from and against all Costs resulting therefrom or incurred in connection therewith.

2.2.7 Limitation on Certain Actions and Expenditures. Notwithstanding any provision of these By-Laws (including the provisions of Article 6) or any other Condominium Document to the contrary, the Condominium Board shall not, under any circumstance unless authorized to do so by a Unanimous vote of the Condominium Board (and, in the case of clause (i) of this Section 2.2.7, by the written consents described therein):

(i) except to the extent required or permitted under Section 15.7 of the Declaration, enter into or deliver (with or to or for the benefit of the City of New York or otherwise) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, which affects or involves a Unit or Residential Section (including its appurtenant Limited Common Elements or Exclusive Use General Common Elements) without, in each case, the prior written consent of the affected Unit Owner(s) and/or Residential Board(s), as the case may be;

(ii) enter into any amendment or addition to the City Agreements; or

(iii) pay any amounts, or incur or authorize the incurrence of any expenditures, in connection with any of the following:

(1) advertising, marketing and promotions (other than with respect to Units acquired by the Condominium or the Condominium Board in accordance with the provisions hereof and of the Declaration), including, without limitation (A) marketing the Building or portions of the Building (other than Units acquired by the Condominium or the Condominium Board); and (B) presenting, producing or sponsoring any entertainment or special events in the Common Elements (other than Limited Common

Elements and Exclusive Use General Common Elements appurtenant to any Units acquired by the Condominium or the Condominium Board);

(2) the management of any portion of the Building other than those portions of the Building for which (and to the extent that) the Condominium Board is responsible under these By-Laws and the Declaration;

(3) sales or leasing commissions other than in connection with Units owned by the Condominium Board;

(4) political or charitable contributions to any organization that is not a Covered Organization; and

(5) the operation, maintenance, Repair, or Alteration of any portion of the Property which is the responsibility of one or more Unit Owners under the Condominium Documents (including, without limitation, the Great Room), provided that this clause (5) shall not apply with respect to (x) the space to be used by the Condominium pursuant to Section 3.4 and Exhibit G of the Declaration, for so long as such space is so used and (y) the exercise by the Condominium Board of any rights (including Repair rights) given to it in the Condominium Documents, notwithstanding that a Unit Owner, Residential Board or Sub-Board may ultimately be responsible to the Condominium Board for the cost thereof.

Clauses (2) and (5) of the preceding sentence are not intended to prohibit, and shall not be interpreted to prohibit, personnel and employees of the Condominium's managing agent from doing work for particular Areas or Sections, at the request and expense of a Non-Residential Unit Owner or Residential Board, to the extent such personnel and employees are (taking into account the duties and obligations of the managing agent under its agreement with the Condominium) available to do so, all as set forth in more detail in the agreement described in Section 2.17.2 hereof (and as may be set forth in more detail (at the Condominium Board's option) in any other management agreement entered into by the Condominium Board with any Person for such Person to serve as the managing agent of the Condominium).

2.2.8 Borrowing by the Condominium Board.

(a) Borrowing by the Condominium Board (a "Condominium Borrowing") shall be permitted only: (i) as may be required as a result of a Condominium Borrowing Condition; or (ii) for any other purpose if approved by a Unanimous vote of the Condominium Board. Subject to the first sentence of Section 2.2.8(b) below, nothing contained in this Section 2.2.8 shall limit or modify the right of Residential Boards and Sub-Boards to borrow money as and to the extent provided in their respective Residential By-Laws and Sub-By-Laws.

(b) No lien to secure repayment of any Condominium Borrowing may be created or suffered: (i) on any Unit or its appurtenant Common Interest, without the prior written consent of the owner(s) of such Unit(s); or (ii) on the Common Elements or any portion thereof (even if permitted by applicable Laws as may now or in the future exist) unless otherwise agreed to by a Unanimous vote of the Condominium Board. Unless otherwise determined by a Unanimous vote of the Condominium Board, (i) a Condominium Borrowing shall be repaid through (x) if such borrowing was incurred in connection with the consequences of a casualty (including any rebuilding in connection therewith) or other event or condition covered by insurance, from any insurance proceeds ultimately received in connection therewith (provided that any such proceeds shall be applied, pro rata based on the Common Interest of each Non-Residential Unit and Residential Board, to both pay down the principal amount of such borrowing and to refund all applicable Special Borrowing Assessments (excluding any portions

thereof on account of interest and fees) (or to reduce the amount thereof to the extent not yet paid)); and/or (y) a Special Borrowing Assessment (hereinafter defined) and (ii) the security for such Condominium Borrowing shall be only as described in Section 2.2.8(d) below.

(c) Upon approving a Condominium Borrowing, the Condominium Board shall notify each General Common Charge Obligor of the aggregate principal amount required to be borrowed (the "Borrowing Amount") and each General Common Charge Obligor's pro rata allocation thereof, which shall be determined consistent with the allocations within the applicable Cost Control Categories, and shall be payable by each General Common Charge Obligor as a Special Assessment. Each General Common Charge Obligor shall then have the option to elect to pay such Special Assessment (hereinafter referred to as a "Special Borrowing Assessment") either: (i) in a lump sum, to be paid on the date on which the Condominium Board borrows the Borrowing Amount (*i.e.*, by such General Common Charge Obligor either paying from its own funds, or self-financing, the cost of its Special Borrowing Assessment), provided that each General Common Charge Obligor shall be given not less than five (5) Business Days written notice of such date by the Condominium Board and that such date shall not be less than fifteen (15) Business Days after the applicable Borrowing Notice (as defined below) is given; or (ii) in installments, as may be necessary, in the determination of the Condominium Board, to pay principal, interest and fees on the Condominium Borrowing (*i.e.*, by opting "in" to the Condominium Borrowing). Each General Common Charge Obligor shall advise the Condominium Board of its election to pay its Special Borrowing Assessment in a lump sum (as a "Contributing Obligor") or in installments (as a "Borrowing Obligor") within ten (10) Business Days following notice from the Condominium Board (a "Borrowing Notice") of the Condominium Borrowing, the Borrowing Amount, the material terms thereof and the amount of the contemplated installments pursuant to clause (ii) of the preceding sentence assuming the full amount of the Borrowing Amount is borrowed. The Borrowing Amount approved by the Condominium Board shall be reduced by the aggregate amount of the Contributing Obligors' allocated share thereof (and the Condominium Board shall promptly notify each Borrowing Obligor of its allocated share of the reduced Borrowing Amount and of the actual amount of its required installment payments, and the reduced amount shall be repaid in accordance with the last sentence of Section 2.2.8(b) above.

(d) In connection with a Condominium Borrowing, the Condominium Board may pledge, encumber and grant security interests only in the anticipated receipts of the Special Borrowing Assessments to be collected by the Condominium Board from the Borrowing Obligors, and from no other funds or assets of (or General Common Charges or Special Assessments whensoever imposed, assessed, collected or received by) the Condominium Board. Any amounts collected from a General Common Charge Obligor that is also a Borrowing Obligor shall first be applied to pay all General Common Charges and Special Assessments then due and payable before being applied to pay any amounts then due from such Person in respect of a Special Borrowing Assessment.

(e) All Condominium Borrowings shall be by and in the name of the Condominium, and shall expressly provide that no individual Unit Owner (or shareholder, member, director or officer thereof) or Board Member shall be liable (primarily or otherwise) therefor in any respect (including, without limitation, for any fees, expenses, or other liabilities or obligations accruing or to be performed thereunder) unless specifically agreed to in writing by such Unit Owner or Board Member (or except with respect to Borrowing Obligors only, to the extent provided in this Section 2.2.8).

2.2.9 Insurance Requirements. Subject to clauses (s) and (8) of Section 2.2.2 hereof, the Condominium Board shall make all determinations and take all actions necessary to cause the insurance requirements set forth in Article 12 hereof with respect to the General Common Elements and the Condominium and Condominium Board to be complied with, unless there is a Unanimous vote of all Board Members to the contrary.

2.3 Number and Terms of Office of Board Members.

2.3.1 Except as may be otherwise provided for in Article 9 hereof governing the composition of the Condominium Board in the event of a subdivision or combination of Non-Residential Unit(s), the Condominium Board shall consist of eight individuals as follows: (a) one Board Member designated by the NT Residential Board in accordance with the NT Residential By-Laws, which member: (i) shall act at the direction of such Board and on its behalf in representing all NT Residential Unit Owners; and (ii) shall vote the entire Common Interest or Budget Interest, as the case may be, appurtenant to all of the NT Residential Units, in the aggregate; (b) one Board Member designated by the ST Residential Board in accordance with the ST Residential By-Laws, which member: (i) shall act at the direction of such Board and on its behalf in representing all ST Residential Unit Owners; and (ii) shall vote the entire Common Interest or Budget Interest, as the case may be, appurtenant to all of the ST Residential Units, in the aggregate; (c) one Board Member designated by the Retail Unit Owner (who shall vote the entire Common Interest or Budget Interest, as the case may be, appurtenant to the Retail Unit); (d) one Board Member designated by the Time Warner Unit Owner (who shall vote the entire Common Interest or Budget Interest, as the case may be, appurtenant to the Time Warner Unit); (e) one Board Member designated by the Hotel Unit Owner (who shall vote the entire Common Interest or Budget Interest, as the case may be, appurtenant to the Hotel Unit); (f) one Board Member designated by the Office Unit Owner (who shall vote the entire Common Interest or Budget Interest, as the case may be, appurtenant to the Office Unit); (g) one Board Member designated by the Performing Arts Unit Owner (who shall vote the entire Common Interest or Budget Interest, as the case may be, appurtenant to the Performing Arts Unit); and (h) one Board Member designated by the Garage Unit Owner (who shall vote the entire Common Interest or Budget Interest, as the case may be, appurtenant to the Garage Unit). Except as otherwise provided in the Condominium Documents, all designations (and substitute and further designations) which are provided for in the Declaration or these By-Laws shall be in writing and shall include an address specified for notice to such designated Board Member. Subject in all events to the provisions of Section 2.4 below, and, as applicable, the provisions of each of the Residential By-Laws with respect to Condominium Board Members designated by the respective Residential Boards, the term of each Board Member designated from time to time by: (i) the Retail Unit Owner, the Time Warner Unit Owner, the Hotel Unit Owner, the Office Unit Owner, the Performing Arts Unit Owner and the Garage Unit Owner shall first expire on the fifth (5th) anniversary of the recording of the Declaration and thereafter on each successive fifth (5th) anniversary of such date; and (ii) the NT Residential Board and the ST Residential Board shall expire annually on the anniversary of such Board Member's designation; and, subject to the other provisions of this Section 2.3, the replacement for each such Board Member, which may be the same person, shall be made by such Board Member's Designator. There shall be no limit on the number of terms of office, successive or otherwise, that a Board Member may serve.

2.3.2 If more than one Person owns a particular Non-Residential Unit (or, if two or more Subdivided Unit Owners are, pursuant to the terms of these By-Laws, entitled together to designate a single Board Member), such Persons shall (except as may otherwise be provided in Article 9 hereof), jointly designate the Board Member hereinabove provided to be designated by the owner of such Non-Residential Unit. Failing such a joint designation, the concurrence of such Persons shall be conclusively presumed if any one of them purports to make such designation, unless and until a protest of such designation is made by any other such Persons to the Condominium Board. From and after the day such protest is made until the dispute with respect thereto is resolved (which dispute shall be resolved in Arbitration), no such Board Member shall be deemed to have been appointed by the Designator in question; provided, however, that (i) for the limited purpose of determining whether a quorum exists at any meeting of the Condominium Board, such Board Member shall be deemed to have been appointed and Present In Person at any meeting of the Condominium Board and (ii) such protest shall not nullify any vote or action taken by such Board Member prior to such protest being made.

2.4 Resignation and Removal.

2.4.1 Any Board Member may resign at any time by notice given to the President or Secretary of the Condominium Board and to such Board Member's Designator. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.4.2 (a) Any Board Member may be removed from office: (i) for cause, either (x) by the Designator of such Board Member or (y) notwithstanding any protest of such Designator, by a Common Interest Vote of 66-²/₃% (provided that for purposes of this clause (y) such Designator and any Designators that are Affiliates thereof shall be deemed to not be Designators in Good Standing); and (ii) without cause, only by the Designator of such Board Member. In the event of any removal described in the immediately preceding sentence, whether with or without cause, the Designator of such Board Member shall have the sole right to designate the replacement of such member; and

(b) Any Board Member whose removal for cause has been proposed shall (and its Designator shall) be given an opportunity to be heard at the meeting of the Condominium Board at which such removal is to be considered; except that no opportunity to be heard shall be required if the removal is proposed or caused by such Board Member's Designator.

2.5 Vacancies on Condominium Board. The vacancy of a Board Member's seat on the Condominium Board shall be filled only by designation of the Designator of such member; and at any time that (but only for so long as) a Designator fails to designate its Board Member, such Board Member's seat on the Condominium Board shall be deemed to be held by a Board Member who is not a Member in Good Standing.

2.6 Initial Meeting of Condominium Board; Regular and Special Meetings.

2.6.1 Within no more than ten (10) days following the initial recording of the Declaration in the Register's Office, each Designator shall designate its Board Member by notice given to each other Designator and the first meeting of the Condominium Board shall take place.

2.6.2 Thereafter, regular meetings of the Condominium Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a Majority Member Vote, provided that such meetings shall be held at least monthly until the second anniversary of the initial recording of the Declaration, and thereafter at least quarterly. Notice of regular meetings shall be given to each Board Member by the President, Vice President or Secretary of the Condominium Board or by the Condominium's managing agent, by personal delivery, nationally recognized overnight courier or telecopy (with confirmation of receipt), at least thirty (30) days prior to the day fixed for such meeting which notice shall state the date, time and place (in the Borough of Manhattan) and shall include an agenda therefor.

2.6.3 Special meetings of the Condominium Board may be called by the President or Vice President of the Condominium or by any two (2) Board Members in Good Standing, in each case by giving at least ten (10) Business Days' prior notice to each Board Member, by personal delivery, nationally recognized overnight courier or telecopy (with confirmation of receipt), which notice shall state the date, time, place (in the Borough of Manhattan) and purpose (including the agenda) for the meeting. In addition, the President of the Condominium Board shall, by written notice given in accordance with the last sentence of Section 2.6.2 above, call a meeting of the Condominium Board upon the written request of a Majority of Board Members.

2.7 Principal Offices of Condominium Board. The principal office of the Condominium Board shall be located either within the Property or at such other place in the Borough of Manhattan as may be designated from time to time by the Condominium Board.

2.8 Waiver of Notice. Any Board Member (or his or her proxy) may at any time waive notice of any Condominium Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board Member (or his or her proxy) at any meeting thereof shall constitute a waiver by such member of notice of the time and place thereof. If all the Board Members (or their proxies) are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting.

2.9 Determinations by Condominium Board; Quorum.

2.9.1 (a) Except as otherwise set forth in Section 2.9.3, all determinations of the Condominium Board shall be made at a meeting of the Condominium Board at which a quorum thereof is Present In Person. Only Board Members in Good Standing shall have the right to vote at meetings of the Condominium Board and only such Board Members shall count for purposes of determining whether a quorum is present. Subject to the preceding sentence, the Presence in Person, at any meeting of the Condominium Board, of Board Members sufficient to cast a Majority Member Vote shall constitute a quorum. Except as may otherwise be required by any Law, these By-Laws and/or the Declaration, a Majority Member Vote or a Majority Budget Interest Vote, whichever may be applicable, shall constitute the decision of the Condominium Board.

(b) At all meetings of the Condominium Board, the votes and voting percentages of each Board Member (or his or her proxy) shall be calculated on the basis of either the Common Interest or Budget Interest represented by such Board Member, whichever in each instance is applicable (and not by the number of individual Board Members voting or on any other basis), and each vote cast by a Board Member shall be for the entire Common Interest or Budget Interest, as the case may be, represented by such Board Member; provided, however, that notwithstanding the foregoing or any other provision hereof, (1) a Board Member designated by a Sub-Board (or his or her proxy) shall have the right to cast separate (and different) votes on behalf of the entire Common Interest or Budget Interest, as the case may be, of each Non-Residential Unit Owner and Residential Board that is part of the applicable Sub-Group and (2) a Board Member designated by two or more Non-Residential Unit Owners (or his or her proxy) shall have the right to cast separate (and different) votes on behalf of the entire Common Interest or Budget Interest, as the case may be, of each such designating Non-Residential Unit Owner.

(c) Notwithstanding any provision of these By-Laws or the Condominium Documents to the contrary, a Board Member (or his or her proxy) shall be authorized and entitled to vote at any meeting of the Condominium Board if, and only if, such member shall be a Board Member in Good Standing at the time of such meeting.

2.9.2 If at any Condominium Board meeting a quorum (as defined in Section 2.9.1 hereof) does not exist, Board Members representing in the aggregate more than 50% of the Common Interest of those Board Members in Good Standing who are Present in Person may adjourn the meeting from time to time to a time, in each case specified on at least ten (10) Business Days' notice, by personal delivery, nationally recognized overnight courier or telecopy (with confirmation of receipt), to the Board Members not Present in Person, until a quorum shall exist. At any such adjourned meeting at which a quorum (determined as aforesaid) exists, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.9.3 A Board Member or Members shall be deemed "Present in Person" at a meeting of the Condominium Board if such Board Member(s) or its/their proxy (as described in this Section 2.9) is/are: (i) physically present; or (ii) participating by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear one another's voice. Notwithstanding anything to the contrary contained herein, any action permitted or required to be taken at a meeting of the Condominium Board by the vote of Board Members representing a requisite percentage of Common Interest or Budget Interest, as the case may be, may be taken without a meeting if, after notice is given to all Board Members, such requisite percentage of Board Members (measured by Common Interest or Budget Interest, as may be applicable) in writing approve such action and the taking of same without a meeting (but subject to the same provisions of the Condominium Documents as would apply to such action if taken at a meeting).

2.9.4 In the event the Condominium Board or its designee shall own any Non-Residential Unit, then: (i) the Condominium Board shall not designate a Board Member to vote on behalf of (or otherwise in connection with) such Non-Residential Unit; (ii) the Condominium Board or any such designee shall have no vote in respect of the Common Interest and Budget Interests appurtenant to any such Non-Residential Unit; (iii) the Common Interest of such Non-Residential Unit shall be excluded from the total Common Interests of all Unit Owners for all purposes under these By-Laws when determining whether a quorum is present; and (iv) for purposes only of determining Common Interests or Budget Interests, as the case may be, the Condominium Board Member who, if not for clause (i) of this sentence would have been appointed by the Condominium Board or its designee, shall not be considered to be a Board Member in Good Standing.

2.9.5 Board Members shall be entitled to vote by proxy at any meeting of the Condominium Board, and all references herein and in the other Condominium Documents to votes by Board Members shall be deemed to be references to votes by Board Members or their properly designated proxies. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time as provided at law or by notice actually delivered to such Secretary by the Non-Residential Unit Owner or Residential Board which had made the designation; provided, however, that no designation to act as a proxy shall be effective for a period in excess of twelve (12) months (except that the designation of a Board Member by a Registered Mortgagee pursuant to clause (i) of the first sentence of Section 14.3(f) hereof shall be effective until the Secretary of the Condominium shall have received written notice from such Registered Mortgagee of the first of the following events to occur: (i) the revocation of such designation by such Registered Mortgagee; (ii) the satisfaction of record of such mortgage; and (iii) the release of the encumbered Unit from the lien of such mortgage).

2.10 Compensation. No Board Member shall receive any compensation from the Condominium or the Condominium Board for acting in the capacity of a Condominium Board Member.

2.11 Liability of Condominium Board and Unit Owners.

2.11.1 (a) To the extent permitted by applicable Laws, no Board Member shall have any personal liability with respect to any contract, act or omission of the Condominium, the Condominium Board or its members, or of any managing agent or manager, building engineer, superintendent or employee in connection with the affairs or operation of the Condominium (except to the extent arising from such Board Member's own bad faith, gross negligence or willful misconduct).

(b) Every contract made by the Condominium Board or by any managing agent or manager thereof shall state that it is made by the Condominium Board or the managing agent or manager only as agent for the Condominium, and that the Board Members or managing agent or manager

shall have no personal liability thereon and may also state the applicable limitations of liability of Unit Owners provided for in Section 2.11.2 below; and the absence of such statement or statements in any such contract shall not be deemed to imply any personal liability on the part of the Condominium Board, its members, managing agent or manager, or any Unit Owner.

(c) The Condominium shall indemnify each Board Member against all Costs arising out of such Board Member's serving in such capacity except those matters arising out of such Board Member's own bad faith, gross negligence or willful misconduct.

(d) The Condominium Board may contract or effect any other transaction with any Board Member, any member of a Residential Board, Sub-Board, any Unit Owner, Declarant and/or the Initial Residential Grantee and/or Affiliates of any of the foregoing without incurring any liability for self-dealing or otherwise (except in the case of bad faith, gross negligence or willful misconduct which shall not be deemed presumed or established by the relationship between or among any such parties), but all such contracts or transactions shall be made only in accordance with the provisions of Section 2.17 hereof.

2.11.2 No Unit Owner, in its capacity as a Unit Owner, shall be personally liable for any contract, act or omission of the Condominium. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges or Special Assessments.

2.12 Fidelity Bonds. The Condominium Board shall obtain fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute General Common Expenses attributable to management of the Building.

2.13 Committees. The Condominium Board may, subject to such terms, conditions, limitations and exceptions as the Condominium Board may prescribe, by a Majority Member Vote, appoint an executive committee and such other committee(s) as the Condominium Board may deem appropriate, each to consist of three or more Board Members and to include any Board Member desiring from time to time to serve thereon. Each such committee, to the extent (and only to the extent) expressly provided in the resolution which creates it, may carry out in the name of the Condominium Board those duties delegated to it (including the power to act on behalf of the Condominium Board during the intervals between the meetings of the Condominium Board, insofar as the same may be permitted by applicable Laws), provided, however, that no committee shall be empowered to (and no committee may otherwise) take any action in the name of, or exercise any power vested in, the Condominium Board unless and until a resolution in respect thereof shall have been approved by the affirmative vote of the Condominium Board in the required percentage of Common Interest or Budget Interest, as the case may be (and any required consents or approvals of Unit Owners or Residential Boards shall have been obtained) to the extent the same would have been required had the Condominium Board itself sought to take such action proposed to be delegated or exercise such power proposed to be exercised.

2.14 Status of Boards.

2.14.1 The Condominium Board. In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the New York Condominium Act, the Condominium Board shall, to the extent permitted by applicable Laws, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York, as the same may be amended from time to time. In the event of the incorporation or organization of the Condominium Board pursuant to the provisions of

Section 2.15, the provisions of this Section 2.14.1 shall no longer be applicable to the Condominium Board.

2.14.2 The Residential Boards. In addition to the status conferred upon the Residential Boards under or pursuant to the provisions of the New York Condominium Act, the Residential Boards shall, to the extent permitted by applicable Laws, each be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York, as the same may be amended from time to time. In the event of the incorporation or organization of a Residential Board pursuant to the provisions of Section 2.15, the provisions of this Section 2.14.2 shall no longer be applicable to such Residential Board.

2.15 Incorporation and Organization of Boards.

2.15.1 The Condominium Board. To the extent and in the manner provided in the New York Condominium Act (or as may otherwise be permitted by Law), the Condominium Board may, by action of the Condominium Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so organizes or incorporates, it shall have, to the extent permitted by applicable Laws, the status conferred upon it under such statutes in addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws or articles of organization and operating agreement, as applicable.

2.15.2 The Residential Boards. To the extent and in the manner provided in the New York Condominium Act (or as may otherwise be permitted by Law), each Residential Board may, by action of such Residential Board as provided herein or the applicable Residential By-Laws, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that such Residential Board so organizes or incorporates, it shall have, to the extent permitted by applicable Laws, the status conferred upon it under such statutes in addition to the status conferred upon such Residential Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration, these By-Laws and the applicable Residential By-Laws and the provisions of the Declaration, these By-Laws and such Residential By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws or articles of organization and operating agreement, as applicable; and any such certificate, by-laws, articles and agreement shall in all events be subject and subordinate in all respects to the Declaration and these By-Laws.

2.15.3 Sub-Boards. In the event any Sub-Boards are hereafter created (as hereinafter provided in Section 9.4.4), each such Sub-Board shall have the same rights and status with respect to its organization as is provided in Section 2.15.2 above with respect to the Residential Boards, subject to the same requirements and conditions as are set forth in such Section; and subject further to the condition that any Sub-By-Laws or any other agreement governing any Sub-Group shall in all events be subject and subordinate in all respects to the Declaration and these By-Laws.

2.16 Condominium Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws (and, to the extent applicable, any of the Residential By-Laws), the Condominium Board shall act as, and shall be, the agent of the Non-Residential Unit Owners and the Residential Boards (themselves the agents of their respective Residential Unit Owners), subject to and in accordance with the provisions of the Declaration and these By-Laws (and, to the extent applicable, the Residential By-Laws).

2.17 Affiliate Transactions.

2.17.1 The Condominium Board or its manager or managing agent shall not enter into any contract or lease with, purchase any supplies from, or employ any person, firm, corporation or entity which is an Affiliate of any Board Member or such Board Member's Designator (each such Board Member, an "Affiliate Board Member") unless: (i) the fact thereof is disclosed to, or otherwise known by, the Board Members and noted in the Board's minutes, and the Condominium Board shall authorize or approve such contract or transaction in advance by a Majority Budget Interest Vote, provided that for purposes of this clause (i) only, each Affiliate Board Member shall be deemed to not be a Member in Good Standing; and (ii) the compensation, price or fee paid to or by such Affiliate under, and the other terms of, the contract or purchase or other transaction are reasonably comparable to and competitive with the compensation, price or fee and terms which would be chargeable therefor in a bona fide, arm's length transaction by or with an unaffiliated Person rendering comparable services or receiving comparable benefits under comparable circumstances. Each Board Member in Good Standing (including any member whose Designator is an interested party to the transaction under consideration) shall be counted in determining the existence of a quorum at any meeting of the Condominium Board which authorizes, approves or ratifies any such contract or transaction. Any contract entered into by the Condominium Board or its manager or managing agent in violation of this Section 2.17 shall be deemed void and of no force and effect.

2.17.2 Notwithstanding the foregoing, the Unit Owners hereby acknowledge that the Condominium Board shall, and is authorized to, enter into and from time to time renew a management agreement (in the form agreed prior to the recording of the Declaration) with Related Management Company, L.P., which is an Affiliate of Declarant and/or one or more of the Non-Residential Unit Owners, or another such Affiliate, to serve as the managing agent of the Condominium.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. No annual meeting of the Residential Unit Owners and Non-Residential Unit Owners (a "Unit Owners Meeting") shall be required to be held unless required, in each case, by applicable Laws, in which event any such meeting so required to be held shall be held on the date specified by the Condominium Board.

3.2 Place of Meetings. All Unit Owners Meetings required or permitted to be held, if any, shall be held at the principal office of the Condominium or at such other place in the Borough of Manhattan as may be designated from time to time by the Condominium Board.

3.3 Special Meetings. The President or the Vice President of the Condominium shall call a special Unit Owners Meeting if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium by Unit Owners owning (or the Residential Board(s) representing the owners of) Units representing not less than 35% of the aggregate Common

Interest of all of Units (but which, in all events, must include at least two (2) Non-Residential Unit Owners). Each such resolution or petition shall state, in reasonable detail, the purposes for calling such Unit Owners Meeting.

3.4 Notice of Meetings and Actions Taken. Notice of annual or special Unit Owners Meetings (in each case, if any) shall be given by the Secretary of the Condominium to all Unit Owners of record at their address at the Condominium (or at such other address as any Unit Owner has designated by notice given to the Secretary of the Condominium at least forty-five (45) days prior to the giving of notice of the applicable meeting). Each such notice shall state the purpose(s) of the meeting and the date, time and place (in the Borough of Manhattan) where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given at least ten (10) Business Days prior to the date fixed for the meeting. However, if the business to be conducted at any Unit Owners Meeting shall include consideration of a proposed amendment to the Declaration or to these By-Laws or the Residential By-Laws (to the extent any provision of the Declaration or these By-Laws requires or permits the vote thereon at a Unit Owners Meeting), the notice of such meeting shall be given to all Unit Owners, Registered Mortgagees and Residential Mortgagee Representatives at least thirty (30) days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment. The Condominium Board shall have the exclusive right to vote on the matters and take the actions delegated to it by the Condominium Documents.

3.5 Quorum.

3.5.1 Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners representing more than 50% (in Common Interest) of all Unit Owners in Good Standing shall constitute a quorum at all Unit Owners Meetings; provided that the Non-Residential Unit Owner(s) in Good Standing owning Units to which appertain more than 25% of the aggregate Common Interests attributable to all Units shall have the absolute right (except in the case of an Emergency) to require an adjournment of any such Unit Owners Meeting (notwithstanding the presence of a quorum) for a period not longer than thirty (30) days.

3.5.2 Subject to Section 3.5.1, if at any Unit Owners Meeting a quorum does not exist, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote to adjourn the meeting and reconvene at a time (specified on at least ten (10) Business Days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent Unit Owners). At any such adjourned and reconvened Unit Owners Meeting at which a quorum (determined as aforesaid) exists, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.6 Order of Business. The order of business at all annual Unit Owners Meetings, if any, shall be as follows:

- (a) Call to order.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting, if any.
- (d) Reports of officers, if any.
- (e) Reports of Board Members.

- (f) Reports of committees, if any.
- (g) Election of inspectors of election (when so required).
- (h) Unfinished business.
- (i) New business.

3.7 Voting at Unit Owners Meetings.

3.7.1 Each Unit Owner, or a person designated by each such Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit Owner's Unit (determined on a Common Interest basis), as set forth herein and in the Declaration, at all Unit Owners Meetings, if any. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by notice actually delivered to such Secretary by the Unit Owner which had made the designation; provided, however, that no designation to act as a proxy shall be effective for a period in excess of twelve (12) months. If a Registered Mortgagee is entitled to vote at a Unit Owners Meeting pursuant to clause (ii) of the first sentence of Section 14.3(f) hereof (which vote may be by proxy), such Registered Mortgagee shall continue to so vote until the Secretary of the Condominium shall have received written notice from such Registered Mortgagee of the first of the following events to occur: (i) the revocation of such designation by such Registered Mortgagee; (ii) the satisfaction of record of such mortgage; and (iii) the release of the encumbered Unit from the lien of such mortgage.

3.7.2 A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.7.3 If two (2) or more Persons own a Unit, they shall designate one (1) Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under one ballot, without division, and the concurrence of such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. From and after the day such protest is made until the dispute with respect thereto is resolved (which dispute shall be resolved in Arbitration), the Common Interest of such Unit shall not be voted and the Unit Owners thereof shall, for purposes of all voting, be deemed to not be Unit Owners in Good Standing; provided, however, that (i) such Unit shall be counted solely for determining whether a quorum is present for such voting and (ii) such protest shall not nullify any vote made by any such Person on behalf of such jointly-owned Unit prior to such protest being made.

3.7.4 At Unit Owners Meetings, the Condominium Board (or its designee) shall not be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board (or such designee) on behalf of all Unit Owners; and the Common Interest of such Unit(s) shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes; however, that each Sub-Board and Residential Board (or its designee) shall be entitled to vote the Common Interest appurtenant to any Unit owned by it.

3.7.5 At all Unit Owners Meetings, each Unit Owner in Good Standing (or its proxy) shall be entitled to vote the entire Common Interest attributable to its Unit or Units. If a matter requires a specified vote of Common Interest for approval by the Condominium Board, then such matter, if and when raised at a Unit Owners Meeting, shall require for approval the same percentage vote of Unit

Owners (determined by Common Interest). If a matter requires the consent of a Unit Owner prior to its being approved by the Condominium Board, then such action, if and when raised at a Unit Owners Meeting, shall require the consent of such Unit Owner.

3.7.6 Notwithstanding any provision of these By-Laws or the Condominium Documents to the contrary, a Unit Owner (or his or her or its proxy) shall be entitled and authorized to vote at any Unit Owners Meeting or any other annual, regular or special meeting of any or all Unit Owners if, and only if, such Unit Owner shall be a Unit Owner in Good Standing at the time of such annual, regular or special meeting.

3.8 Voting By Certain Unit Owners or Groups of Units Owners. Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is described in terms of a specified group of Unit Owners as opposed to all Unit Owners as a whole, such required percentage shall mean a percentage in terms of the total Common Interests attributable to all Unit Owners within such specified group and not the percentage of Common Interests attributable to all Unit Owners.

ARTICLE 4

OFFICERS

4.1 Designation. (a) The principal officers of the Condominium shall be a President, a Vice President, a Secretary and a Treasurer thereof, all of whom shall be elected by the Condominium Board but (i) no more than two of whom may be Affiliates of, or associated or affiliated with, any particular Designator or group of Affiliated Designators and (ii) the President and Vice President cannot be Affiliates of, or associated or affiliated with, the same Designator or group of Affiliated Designators. The Condominium Board may elect one or more Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries and such other officers as in its judgment may be desirable. Nothing herein shall preclude any officer of a Residential Board or Sub-Board from also being an officer of the Condominium or any officer of the Condominium from also being an officer of a Residential Board or Sub-Board, if otherwise qualified under the terms of these By-Laws and the applicable Residential By-Laws or Sub-By-Laws, as the case may be; and any Condominium Board Member may also be an officer of the Condominium.

(b) An officer of the Condominium need not be a Unit Owner or have any interest therein or be a member of the Condominium Board.

4.2 Election of Officers. The officers of the Condominium shall each be elected annually by Majority Member Vote of the Condominium Board (including at the first meeting thereof) and at any other meeting as may be required to fill a vacancy, and shall serve at the pleasure of the Condominium Board.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by notice given to the Condominium Board; such resignation shall take effect at the time specified in such notice and, unless specifically requested by the resigning officer, acceptance of such resignation shall not be necessary to make such resignation effective. Upon a Majority Member Vote at a regular meeting of the Condominium Board, or at a special meeting of the Condominium Board called for such purpose, at which a quorum is present, any officer may be removed, either with or without cause, and his or her successor shall be elected.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all Unit Owners Meetings and at all meetings of the Condominium Board. Subject to the provisions of Section 4.8 hereof, the President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint (upon a Majority Member Vote and subject to the provisions of Section 2.13) committees from among the Board Members and/or Unit Owners, from time to time as such President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium, each such committee to include a representative of any General Common Charge Obligor desiring to serve thereon.

4.5 Vice President. The Vice President of the Condominium shall take the place of the President under whom he or she serves and shall perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Condominium Board shall appoint some other Condominium Board Member to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Condominium Board or by the President.

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

4.7 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board (or in the name of the managing agent or manager appointed by the Condominium Board) in such depositories as may from time to time be designated by the Condominium Board and shall, in general but subject to the proviso clause of the first sentence of Section 4.8 below, perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 Execution of Documents. Except as may otherwise be provided in the Condominium Documents, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice President, acting alone, by any other two officers of the Condominium Board or by such other person or persons as may be designated by the Condominium Board; provided, however, that all checks in excess of \$10,000 must be executed by two (2) officers of the Condominium Board that are not Affiliates of, or associated or affiliated with, the same Designator or group of Affiliated Designators. Subject to Section 2.17, the President or Vice President, or two (2) other officers, shall have the right to so execute any such agreement or contract without having first obtained the approval of the Condominium Board; provided, however, that (x) such approval shall be required if (i) the applicable contract or agreement provides for payments to another Person that exceed, or are likely to exceed, \$200,000 in the aggregate over time; (ii) such approval is expressly required under any other provision hereof; or (iii) the applicable agreement or contract or the performance thereof by the Board or the other party thereto violates, exceeds or is inconsistent with any Cost Control Category budget (subject to clause (3) of the second sentence of Section 6.1.1(g)(x) hereof) or any of the provisions hereof or of the Declaration and (y) no contract or agreement providing for any payments to another Person shall be so executed prior to three (3) Business Days after each Board Member has been furnished (either by the President or Vice President or the Condominium's managing agent) with a copy thereof. In addition to

the foregoing, the Condominium Board may authorize the managing agent serving on its behalf to execute checks, contracts and other agreements, provided that the agreements and expenditures, and the managing agent's paying for same, have been approved in advance by resolution of the Condominium Board (including, but not limited to, by means of its approval of a Budget including such expenditure) or have been authorized in writing in the management agreement with such managing agent or in accordance with the preceding sentence. Notwithstanding the foregoing or any other provision hereof, no management agreement with a managing agent for the Condominium, other than the agreement described in Section 2.17.2 hereof, shall be executed and delivered unless and until bids from three (3) Persons who are not Affiliates (but any one of which (but not more than one of which) may be an Affiliate of a particular Unit Owner) to serve as the managing agent are received, which bids must include the compensation, term and other material terms of the proposed engagement.

4.9 Compensation of Officers. Except as otherwise determined by a unanimous vote of the Condominium Board, no officer of the Condominium shall receive any compensation for acting as such.

4.10 Liability of Officers. To the extent permitted by applicable Laws, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the Condominium, the Condominium Board or its members or officers, or of any managing agent or manager, building engineer, superintendent or employee in connection with the affairs or operation of the Condominium (except to the extent arising from such officer's bad faith, gross negligence or willful misconduct) including, without limitation: (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a General Common Expense; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of any Common Element; or (c) arising out of theft or otherwise. The Condominium shall indemnify each officer of the Condominium against all Costs arising out of such officer's service in such capacity, except those matters arising out of such officer's bad faith, gross negligence or willful misconduct.

ARTICLE 5

NOTICES

5.1 Notices. Except as otherwise expressly provided in the Declaration or these By-Laws, all requests, notices, reports, demands, approvals and other communications required or desired to be given pursuant to the Declaration and/or the Condominium By-Laws shall be in writing and shall be delivered: (a) if to any Board or any Non-Residential Unit Owner, in person (only in the case of a notice to the Condominium Board or a Residential Board) or sent to the principal office of the applicable Board or Non-Residential Unit Owner, as the case may be (or to such other address as: (i) the applicable Board may designate from time to time, by notice in writing to the other Boards and all Non-Residential Unit Owners; and (ii) each Non-Residential Unit Owner may designate from time to time, by notice in writing to each Board and all other Non-Residential Unit Owners); and a duplicate shall be sent in like manner to the managing agent of the Condominium and of each Residential Section and Non-Residential Unit having a managing agent, if any; (b) if to a Residential Unit Owner, in person or sent to the address of such Residential Unit Owner at the Building, or to such other address as may have been designated by such Residential Unit Owner from time to time in writing to the applicable Residential Board; and (if such notice is from a Person other than such Residential Unit Owner's Residential Board) a duplicate shall be sent in like manner to the Residential Board and managing agent, if any, of the applicable Residential Section; (c) if to a Condominium Board Member, to the address of such Board Member as

shall be specified in the written designation thereof by such individual's Designator (provided that, failing such specification, the address of such Designator shall be deemed to be the specified address for such Board Member), or to such other address as may have been designated by such Board Member from time to time in writing to the Secretary of the Condominium Board and to the other Condominium Board Members; and (d) if to the Registered Mortgagees and Residential Mortgage Representatives, either delivered in person or sent to their respective addresses, as designated by them from time to time in writing to the Condominium Board and the applicable Residential Board, as the case may be. All notices delivered in person (to the extent permitted herein) shall be deemed to have been given when delivered in person. Subject to Section 5.2 below, unless other means of giving certain notices are specifically required or permitted pursuant to the Condominium Documents, all notices which are "sent" shall be sent either (x) by registered or certified mail, return receipt requested, and shall be deemed to have been given three (3) days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper or (y) by nationally recognized overnight courier service and shall be deemed to have been given the first Business Day (for domestic delivery) and the third Business Day (for international delivery), after deposit with an overnight courier service, provided that notices of change of address shall in all events be deemed to have been given when received.

5.2 Alternate Service; Delay in Notices.

5.2.1 The Condominium Board may adopt (and amend from time to time) as a General Rule and Regulation any alternative or substitute method(s) of giving notices which may, with the passage of time, the evolution of technology or the change in customary and standard business practices in the United States, give a quality and assurance of notice comparable, in the Condominium Board's reasonable judgment, to the methods specified in Section 5.1 above. Notice of the Condominium Board's adoption of or change in a General Rule and Regulation in respect of the method of giving notices hereunder shall take effect no sooner than two (2) months after notice thereof is given (by one of the methods specified in Section 5.1) to all Condominium Board Members, both Residential Boards (and all their members), all Unit Owners, all Registered Mortgagees and all Residential Mortgage Representatives.

5.2.2 All notices which are "sent" by any alternative or substitute method of service as may be adopted by the Condominium Board and following the effective date of such change, shall, unless otherwise specified by the Condominium Board in connection with the adoption of such alternative or substitute method, be deemed to have been given a set number of Business Days after the dispatch or transmission of same (such number to be fixed by the Condominium Board upon the adoption of such alternative or substitute service methods(s)), except that notices of change of address shall be deemed to have been given only when received.

5.2.3 Notwithstanding the foregoing provisions in this Section 5.2 with respect to the date or time any notice shall be "deemed" to have been given or received, the stated period after which such giving or receipt shall be "deemed" to have occurred shall be extended, day for day, commensurate with the duration of any publicly acknowledged and verifiable delay or disruption, not caused by the Person claiming to have been affected by such delay or disruption, in the means or method by which such notice was transmitted. The Condominium Board's reasonable determination with respect to the existence and/or duration of any such delay or disruption shall be conclusive absent manifest error.

5.3 Waiver of Service of Notice; Consent to Other Notices. Whenever any notice is required to be given by applicable Laws or the Condominium Documents, a waiver thereof in writing, signed by the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed effective as a waiver thereof and no such notice shall be required. Additionally, any Person may consent (with respect to notices given to it) to additional means of service including, without limitation,

transmission by facsimile or electronic means. Such consent, if given, shall in all events be in writing and given and treated as if the same were a change of address (as described in Section 5.1 above). With respect to notices given by facsimile, the transmission shall be to a telephone number designated for such purpose. Notices sent by facsimile shall be deemed to have been given upon receipt by the sender of a signal from the equipment of the Person served confirming that the transmission was received. A Person may change or rescind a facsimile telephone number by giving notice thereof to the Condominium Board, each Residential Board and Sub-Board, and each Non-Residential Unit Owner. With respect to notices given by electronic transmission (*e.g.*, e-mail), the transmission shall be in a manner authorized by the Person consenting to such transmission. The foregoing provisions of this Section 5.3 are intended to facilitate additional means of notification and shall not be construed to permit any Person to refuse receipt of any notices given in any of the manners specified in Sections 5.1 or 5.2.

5.4 Notices by a Residential Unit Owner to its Residential Board. Notwithstanding anything contained in this Article 5, all notices required or desired to be given by a Residential Unit Owner to its Residential Board or to another Unit Owner in its Residential Section shall be given in the manner prescribed in the applicable Residential By-Laws; however, any additional or duplicate notices required thereunder to be given to any Board, a Residential Unit Owner in another Residential Section and/or any Non-Residential Unit Owner shall be given in any of the manners herein provided.

5.5 Record of Addresses.

5.5.1 The Condominium Board shall keep and maintain correct, current and complete records containing the names and addresses of all Condominium Board Members (and their proxies, if any), Non-Residential Unit Owners, Residential Boards (and their members), Registered Mortgagees and Residential Mortgagee Representatives. The foregoing records shall be in written form or in any other form capable of being converted into written form within a reasonable time. Any Condominium Board Member, Unit Owner, Residential Board, Registered Mortgagee or Residential Mortgagee Representative shall have the right to examine in person or by agent or attorney, during usual business hours on Business Days, such records and, at such Person's expense, to make extracts or copies therefrom (including electronic copies to the extent such records are in electronic form) for any purpose reasonably related to such Person's interest in the Condominium.

5.5.2 Each Residential Board shall keep and maintain correct, current and complete records containing the names and addresses of all of its members, all Residential Unit Owners within its Residential Section and all such Residential Section's Residential Mortgagee Representatives. The foregoing records shall be in written form or in any other form capable of being converted into written form within one Business Day. The Condominium Board shall have the right to examine in person or by agent or attorney, during usual business hours on Business Days, such records and, at the Condominium Board's expense, to make extracts or copies therefrom (including electronic copies to the extent such records are in electronic form) for any purpose reasonably related to the exercise and fulfillment of the Condominium Board's rights and obligations, respectively.

ARTICLE 6

GENERAL COMMON EXPENSES AND CHARGES; BUDGETS; MAINTENANCE OBLIGATIONS AND COSTS; UTILITIES

6.1 Determination of General Common Expenses and Fixing of General Common Charges.

6.1.1 (a) General Common Expenses; Allocation of General Common Expenses. The Condominium Board shall determine and allocate all costs and expenses incurred by the Condominium Board in connection with the operation, care, upkeep and maintenance of, and the making of Alterations to, and Repairs of, the General Common Elements (and the Limited Common Elements as and to the extent provided herein or in the other Condominium Documents), in such manner that Project Standards are maintained (all such costs and expenses, together with all other items which are provided for in these By-Laws and the Declaration to be General Common Expenses, the "General Common Expenses"). All General Common Expenses shall be determined and allocated by the Condominium Board, without any cost increase or markup of any kind whatsoever by the Condominium Board and otherwise in the manner provided in and subject to the provisions of this Article 6, among the General Common Charge Obligor (subject to the obligations set forth in these By-Laws and in the Declaration with respect to Exclusive Use General Common Elements). Such allocation shall be made first by assigning each individual expenditure in respect of General Common Expenses (or the appropriate portion of such expenditure, in accordance with clause (vii) of Section 6.1.1(g) hereof) to the appropriate Cost Control Category shown on Exhibit 2 annexed hereto (taking into account, inter alia, the provisions of Section 6.1.1(c) below); and then, within each Cost Control Category, by assigning to each General Common Charge Obligor its allocated portion thereof in accordance with the allocation percentages applicable to such Cost Control Category as set forth in said Exhibit 2 and Sections 6.1.1(b) and 6.1.1(d) below. Subject to clause (c) of Section 2.2.2 hereof and the further provisions of this Article 6, all determinations with respect to budgets, reserves, expenditures and Special Assessments shall be voted upon in each instance by the Condominium Board on a Cost Control Category by Cost Control Category basis, in each case by a Majority Budget Interest Vote for the Cost Control Category in question.

(b) Changes in General Common Expense Allocations. The allocations to each General Common Charge Obligor within each Cost Control Category set forth on Exhibit 2 shall not change, except pursuant to Article 12 hereof and in connection with combinations and subdivisions of Units in accordance with the provisions of Article 9 hereof; provided, however, that:

(i) With respect to the "Loading Dock" Cost Control Category:

All "variable costs" (i.e., overtime labor and other costs incurred due to "off-hour" use (as described below) of the Loading Dock) shall be paid by the General Common Charge Obligor that requested the "off-hour" use, with a pro rata sharing of such costs if two or more General Common Charge Obligor requested overlapping "off-hour" use. As used in this Section 6.1.1(b)(i), "off-hour" use of the Loading Dock means any use of the Loading Dock outside of the base hours of Loading Dock operations, as such base hours are determined in accordance with clauses (e) and (2) of Section 2.2.2 hereof, provided that for the six-month period from October, 2004 through March, 2005 (and any other period designated by the Condominium Board by Majority Budget Interest Vote), overtime labor will be purchased "in bulk" and available for all hours, so that during this period all

Loading Dock Cost Control Category costs shall be "fixed costs" for purposes of this Section 6.1.1(b)(i).

The allocation of "fixed costs" (i.e., costs not affected by "off-hour" use) shall initially be in accordance with the percentages set forth for the Loading Dock Cost Control Category in Exhibit 2. Beginning in July, 2004 and every third succeeding calendar month thereafter, such percentages shall be adjusted to equal each General Common Charge Obligor's Loading Dock Use Percentage, as calculated in accordance with Exhibit 6.1.1(b)(i) attached hereto, during the preceding three month period (or, with respect to the first adjustment in July, 2004, during the period from the recording of the Declaration through and including June, 2004).

Each adjustment of "fixed cost" allocations pursuant to paragraph 2 above (x) shall be deemed to retroactively apply to the period as to which the Loading Dock Use Percentages were calculated, and (y) shall also apply to the succeeding three month period, subject to retroactive adjustment in accordance with clause (x) of this sentence. The Condominium Board shall make appropriate adjustments to the General Common Charges payable by each General Common Charge Obligor to give effect to the preceding sentence, but without any adjustment to take into account the time value of money.

The Budget Interest voting percentages for the Loading Dock Cost Control Category shall initially be the percentages set forth in Exhibit 2. Beginning in July, 2004 and every succeeding July thereafter, such percentages shall be adjusted to equal each General Common Charge Obligor's Loading Dock Use Percentage during the preceding twelve-month period (or, with respect to the first adjustment in July, 2004, during the period from the recording of the Declaration through and including June, 2004); and

(ii) all allocations of "variable costs" (as such term is defined in Exhibit 2) within the "Central Plant" Cost Control Category shall be based on actual usage, as measured by meters or submeters, but no such allocations shall affect the Budget Interest voting percentages for such Cost Control Category or the allocations of "fixed costs" (as such term is defined in Exhibit 2) within such Cost Control Category, which percentages and allocations are fixed and are set forth on Exhibit 2.

(c) Allocations of Certain General Common Expenses. The "Interior Common Area" Cost Control Category covers only General Common Expenses attributable to or in connection with those General Common Elements that are shared circulation space. All General Common Expenses attributable to or in connection with those General Common Elements that are shared mechanical space (excluding vertical shaftways and penetrations) shall be allocated to the "Central Plant" Cost Control Category. All General Common Expenses attributable to or in connection with those General Common Elements that are vertical shaftways and penetrations shall be allocated to the "General" Cost Control Category. All General Common Expenses that are not properly allocated to one

of the Cost Control Categories other than the "General" Cost Control Category shall be allocated to the "General" Cost Control Category. The "Hotel/NT Residential" Cost Control Category covers all General Common Expenses attributable to or in connection with the Hotel/NT Residential Limited Common Elements. The "Office/Time Warner" Cost Control Category covers all General Common Expenses attributable to or in connection with the Office Limited Common Elements described in Section 15.14.2(a) of the Declaration and the North Tower service elevator S-29 (collectively, the "Shared Office Limited Common Elements").

(d) Fixed Allocations. The allocations and/or amounts agreed to by the Unit Owners described below (whether or not related to General Common Expenses) with respect to the following portions of the Property shall be deemed "Fixed Allocations" and shall, notwithstanding any other provision of the Condominium Documents, not be subject to reallocation by the Condominium Board or otherwise (except (x) as expressly set forth in this Section 6.1.1(d) and (y) that the applicable Persons in any of the following cases may, by mutual written agreement and written notice to the Condominium Board, amend the relevant portion(s) of the following provisions from time to time without the consent of any other Person):

(i) Each of the Time Warner Unit Owner, Performing Arts Unit Owner, Garage Unit Owner, Office Unit Owner, Hotel Unit Owner, NT Residential Board and ST Residential Board shall, each fiscal year (beginning with the first fiscal year (the "Initial Great Room Fiscal Year") in which both (x) the Great Room is open to the public and (y) at least fifty percent (50%) of the rentable square footage in the Retail Unit is open for business (the conditions set forth in the foregoing clauses (x) and (y), the "Great Room Conditions")), pay its Great Room Shared Use Amount (as defined below), as such amount shall be appropriately prorated in the case of the Initial Great Room Fiscal Year to reflect the date the Great Room Conditions are satisfied, and as such amount shall be adjusted each fiscal year (beginning with the fiscal year that begins July 1, 2004) by the Great Room Inflation Factor (as defined below), which amounts shall, notwithstanding any other provision hereof, be paid to the Condominium Board for the account of the Retail Unit Owner (or, at the option of the Retail Unit Owner, directly to the Retail Unit Owner) by each applicable Person in equal monthly installments due no later than the tenth (10th) day of each month. Such amounts (which shall be treated for all purposes hereunder as General Common Charges of each General Common Charge Obligor) are being paid as a contribution to the Retail Unit Owner to partially reimburse the Retail Unit Owner for the costs of maintaining, performing Repairs and Alterations to, operating and insuring the "Great Room" of the Retail Unit. As used herein, (1) the Great Room Shared Use Amount shall mean (A) with respect to the Time Warner Unit Owner, Two Hundred and Sixty-Seven Thousand Five Hundred Dollars (\$267,500.00); (B) with respect to the Hotel Unit Owner, Fifty Thousand Dollars (\$50,000.00); (C) with respect to the Performing Arts Unit Owner, an amount to be agreed-upon by the Retail Unit Owner and the Performing Arts Unit Owner; (D) with respect to the Office Unit Owner, Eighteen Thousand Dollars (\$18,000.00); (E) with respect to the Garage Unit Owner, Five Thousand Dollars (\$5,000.00); (F) with respect to the NT Residential Board, Thirty-Seven Thousand Dollars (\$37,000.00); and (G) with respect to the ST Residential Board, Sixty-Eight Thousand Dollars (\$68,000.00); and (2) the Great Room Inflation Factor shall mean the percentage change, if any, between the Consumer Price Index for the calendar month which is five (5) months prior to the first month of the applicable prior fiscal year and the Consumer Price Index for the calendar month which is five (5) months prior to the first month of the fiscal year as to which the Great Room Shared Use Amount is being calculated.

(i) Subject to the provisions of clause (2) of Section 6.1.1(g)(viii) hereof, the Time Warner Unit Owner shall pay (pursuant to the budget therefor approved in accordance with the terms of this Article 6) 33%, and the Office Unit Owner shall pay (pursuant to said budget) 66%, of the costs incurred (without mark-up) within the "Office/Time Warner Cost Control Category (i.e., with respect to (1) lobby, elevators, crossover spaces, mechanical rooms and other spaces and

elements subject to the easement set forth in Section 15.14.2 of the Declaration) and (2) service elevator S-29 in the North Tower); and

(iii) Each of the Hotel Unit Owner and the NT Residential Board shall pay (pursuant to the budget therefor approved in accordance with the terms of this Article 6) fifty percent (50%) of the costs incurred (without mark-up) within the "Hotel/NT Residential" Cost Control Category (*i.e.*, with respect to the Hotel/NT Residential Limited Common Elements); provided, however, that with respect to costs incurred in connection with the North Tower service elevator (S-43) which serves both the Hotel Unit and the NT Residential Section, each of the Hotel Unit Owner and NT Residential Board shall pay its reasonable and fairly allocable share of such costs.

(e) [Intentionally Omitted]

(f) Disputes. Pending the resolution in Arbitration of any dispute with respect to the allocation of General Common Expenses, the allocation to the affected General Common Charge Obligors of the disputed components of the General Common Expenses shall remain as determined by the Condominium Board (including for purposes of all Budget Interest Votes), provided that upon such resolution, any resulting change in the allocation of such General Common Expenses shall be effective retroactive to the effective date of the allocation or re-allocation that gave rise to the dispute, but not for purposes of Budget Interest votes prior to such resolution.

(g) Budget for General Common Charges; Initial Budget. (i) The Beneficial Owners, acting in the name of the Condominium Board, have agreed on and adopted an initial budget (the "Initial Budget," which is attached in redacted form as Exhibit 2 hereto) for the Condominium, which Initial Budget allocates General Common Expenses and the expenses covered by Section 6.1.1(d) hereof among the General Common Charge Obligors for the period covered by the Initial Budget. Notwithstanding what may be set forth in the Initial Budget, in no event shall the Initial Budget allocate and in no event shall the Condominium Board charge any Unit Owner with construction costs (including construction general conditions items or overhead costs) and other costs charged or chargeable to such Unit Owner (or the applicable Beneficial Owner) pursuant to, and in accordance with, such Unit Owner's Development Agreement (*i.e.*, there shall be no double-counting or double-charging of costs charged to the Beneficial Owners under the respective Development Agreements (whether fixed, budgeted or otherwise), and costs charged to such Persons as Unit Owners as General Common Charges).

(ii) Subject to the final sentence of subsection 6.1.1(g)(i) immediately above, the Initial Budget shall be phased-in as costs set forth in such Budget begin to be incurred by the Condominium Board, or its manager. The phasing-in of the Initial Budget (and the obligation to pay General Common Charges thereunder) shall not modify or limit any Unit Owner's obligations to Declarant or Developer, or any of Declarant's or Developer's obligations to any Unit Owner, under the applicable Development Agreement(s) or Declarant's Operating Agreement in respect of any particular item of cost payable as part of general conditions or otherwise, except (in the case of any Unit Owner obligations) to the extent that any such item of cost shall be payable to the Condominium Board as part of General Common Charges.

(iii) In respect of all fiscal years following the period covered by the Initial Budget, the Condominium Board shall from time to time, but at least annually (and no later than the applicable required date under the management agreement then in effect with the Condominium's managing agent (and if no such agreement is then in effect then no later than one hundred and twenty (120) days prior to the commencement of each fiscal year)), prepare a budget on a Cost Control Category by Cost Control Category basis for the succeeding fiscal year, setting forth the projection of General Common Expenses and other expenses covered by Section 6.1.1(d) hereof for such fiscal year and will

allocate and assess charges ("General Common Charges") among the General Common Charge Obligors in accordance with the provisions of this Section 6.1.1, to meet the General Common Expenses and such other expenses (each such approved budget, and each amended budget, a "Budget"). Each Board Member shall be entitled to receive and review the estimates and other documentation supporting the components of the proposed budget. The budgeted expenses shall be adopted by the Condominium Board (with each Board Member voting in each case in accordance with such Board Member's respective Budget Interest) on a Cost Control Category by Cost Control Category basis. The budget for any particular Cost Control Category may be adopted regardless of the adoption, or the failure to be adopted, of any other Cost Control Category budget. Each adopted Cost Control Category budget shall (together with any Carryover Budgets) collectively constitute the "Budget." In the event that an entire Budget (or any particular Cost Control Category budget within the Budget) is not adopted by the Condominium Board (in each case in accordance with the applicable voting percentage required) as and when required, then, until such adoption, the Budget (or Cost Control Category budget, as the case may be) in effect for the then concluding (or concluded) Fiscal Year, increased (or decreased in the case of clause (2) of this sentence) by (1) anticipated expenditures for applicable Mandatory Costs and (2) the CPI Budget Factor (applied to Threshold Expenditures only), shall remain in effect (such Budget or budget, adjusted as aforesaid, a "Carryover Budget").

(iv) Subject to the further provisions of this Section 6.1.1(g), a Majority Budget Interest Vote shall be required to approve each Cost Control Category budget within any proposed Budget (or any proposed amendment thereto). The Board Members shall grant or withhold their approval in writing within forty-five (45) days after receipt (whether at a meeting of the Condominium Board or otherwise) of any proposed Cost Control Category budget or amendment thereto, and any Board Member that does not so grant or withhold his or her approval within said forty-five (45) day period shall be deemed to have approved the applicable budget or amendment thereto. In the event that the Condominium Board shall fail to agree on any Cost Control Category budget within the aforementioned forty-five (45) day period, the last sentence of clause (iii) of this Section 6.1.1(g) shall apply. No amended Budget or Cost Control Category budget shall have a retroactive effect on the General Common Charges payable by the General Common Charge Obligors for any period prior to the adoption of such amended Budget or budget, although a prior period's deficit may be included in General Common Charges for a subsequent period or paid from a Special Assessment levied in accordance with subsection 6.1.1(m) below.

(v) If any proposed Budget, or any proposed amendment to a Budget, sets forth a proposed increase in the aggregate expenditures within a Cost Control Category that exceeds a Budget Threshold, such proposed Budget or amendment shall not, with respect to the portion thereof relating to such Cost Control Category, be adopted unless it is approved by a Budget Interest Vote of 66²/₃%. As used herein, the following terms shall have the following meanings:

(A) "Budget Threshold" means, with respect to the applicable Cost Control Category, (i) a 3.33% increase in Threshold Expenditures (as defined below) from the prior year's Budgeted Threshold Expenditures (as such prior year's Budgeted Threshold Expenditures shall be deemed increased or decreased by the CPI Budget Factor), provided that the reference in this clause (i) to 3.33% shall be deemed to be 5.00% if the prior fiscal year is July 1, 2003-June 30, 2004 and (ii) a 9.00% aggregate increase in Threshold Expenditures from the Budgeted Threshold Expenditures for the fiscal year that is three (3) years prior to the fiscal year to which the proposed Budget or amendment relates (as such prior Budgeted Threshold Expenditures shall be deemed increased or decreased by the CPI Budget Factor);

(B) "Mandatory Costs" means all costs attributable to (1) insurance coverage the Board is required to obtain and maintain under Article 12 hereof, as such requirements may be duly amended from time to time by the Condominium Board; (2) costs under previously executed multi-year contracts with third parties; (3) taxes and other governmental charges; (4) utilities (assuming no increase in level of service); (5) "variable" costs within the "Central Plant" Cost Control Category; (6) compliance with Laws and Insurance Requirements; (7) amounts payable to the Condominium's managing agent under the terms of its management agreement; (8) actions that the Board is required to take under these By-Laws or the Declaration (excluding actions required solely in connection with obligations imposed on the Condominium Board hereunder and under the Declaration to comply with or maintain Project Standards); and (9) all existing contractual requirements;

(C) "CPI Budget Factor" means the percentage change, if any, between the Consumer Price Index for the calendar month which is five (5) months prior to the first month of the applicable prior or third preceding fiscal year and the Consumer Price Index for the calendar month which is five (5) months prior to the first month of the fiscal year to which the proposed Budget or amendment relates; and

(D) "Threshold Expenditures" means all expenditures in the applicable Cost Control Category, excluding expenditures for Mandatory Costs.

The provisions of this clause (v) of Section 6.1.1(g) are subject to the provisions of clause (vi) of this Section 6.1.1(g).

(vi) Notwithstanding any other provision hereof, if a Cost Control Category budget or any amendment thereto that includes, or any Special Assessment that is for, a New Cost (as defined below) is approved in accordance with the foregoing provisions of this Section 6.1.1 or Section 6.1.1(m), but a Board Member asserts that no portion of such New Cost should be allocated to such Cost Control Category, then (1) whether or not such assertion is correct shall be determined by Arbitration, and (2) until such matter is resolved by Arbitration, such New Cost (to the extent such budget or amendment thereto or Special Assessment allocates such cost to the applicable Cost Control Category) shall not be incurred and, if applicable, such Special Assessment shall not be assessed; provided, however, that, no General Common Charge Obligor shall have the right to dispute the allocation of a New Cost to a Cost Control Category unless an Arbitration disputing such allocation is commenced within thirty (30) days after the applicable Cost Control Category budget or amendment is approved or notice by the Condominium Board of the applicable Special Assessment is given. As used herein, "New Cost" shall mean a particular type of cost (other than reserves) that was not allocated to the applicable Cost Control Category in any prior Budget.

(vii) If a General Common Expense relates to more than one Cost Control Category, the method of allocation thereof to each applicable Cost Control Category must be approved by the requisite Budget Interest Vote for each such Cost Control Category; provided, however, that in all events (x) all security costs that, by their very nature, apply to the entire Building shall be allocated among the "Central Plant," "Exterior Common Area," "Interior Common Area" and "Loading Dock" Cost Control Categories in accordance with the number of security "points" within each such portion of the Building and (y) if the agreement (whether proposed or already approved and executed) with any provider of cleaning services to the Building contains a method of allocating costs thereunder among the "Central Plant," "Exterior Common Area," "Interior Common Area" and "Loading Dock" portions of the Building, such method shall govern and control.

(viii) Notwithstanding any other provision hereof, including the other provisions of this Section 6.1.1(g):

All decisions with respect to expenditures within the "Hotel/NT Residential" Cost Control Category, the amount of the budget and any Special Assessments with respect thereto, and (subject to the provisions of Article 8 hereof) the making of any Alterations and Repairs to the Hotel/NT Residential Limited Common Elements, shall be made solely by the Hotel Unit Owner, subject, however, to (x) the rights of the NT Residential Board, and the obligations of the Hotel Unit Owner, with respect to exterior signage set forth in the proviso clause of the first sentence of Section 15.14.3 of the Declaration and (y) the further provisions of this paragraph (1). The amount of any such budget (or amendment thereto) must be approved by the Board Member whose Designator is the NT Residential Board; provided, however, that (A) if such Board Member does not approve or disapprove in writing such proposed budget or amendment within forty-five (45) days after receipt from the Hotel Unit Owner (or the hotel's manager) of such proposed budget or amendment, such Board Member shall be deemed to have approved such budget or amendment; (B) such approval shall not be unreasonably withheld and (C) if such approval is not obtained with respect to any such budget, the last sentence of clause (iii) of this Section 6.1.1(g) shall apply, provided that Mandatory Costs shall be deemed to include (1) all costs reasonably necessary to maintain Project Standards with respect to the Shared Hotel Lobby and (2) all costs reasonably necessary to cause the appearance, condition and decoration of the Shared Hotel Lobby to be consistent with and appropriate for the standard at which the hotel in the Hotel Unit is being operated (the costs described in the foregoing clauses (1) and (2), collectively, the "Shared Lobby Mandatory Costs").

All decisions with respect to the amount of the "Office/Time Warner" Cost Control Category budget and any Special Assessments with respect thereto, and (subject to the provisions of Article 8 hereof) the making of any Alterations to the Shared Office Limited Common Elements (such decisions, collectively, the "Shared Office Decisions"), must be approved by Majority Budget Interest Vote of the "Office/Time Warner" Cost Control Category, provided that (A) if the Office/Time Warner Cost Control Category budget for any fiscal year after the fiscal year that begins July 1, 2004 (which fiscal year's budget is set forth in the Initial Budget) is not adopted by said Majority Budget Interest Vote, the last sentence of Section 6.1.1(g)(iii) shall apply with respect to such budget, (B) subject to the provisions of Article 8 hereof (but provided that the phrase in the first sentence of Section 8.1.1(d) hereof that reads "adversely affect (to more than a de minimis extent)" shall be deemed to read "adversely affect (to more than an immaterial extent)" with respect to the

approvals of the Other Unit Owners (as defined below) under said Section 8.1.1(d) with respect to such Alterations), the Dominant Unit Owner (as defined below) shall in its sole discretion have the right to make Alterations to the Shared Office Limited Common Elements (and the Other Unit Owners shall not have the right to make any such Alterations) so long as it pays all costs incurred in connection with such Alterations (including any increased Repair, maintenance or other costs attributable thereto) and (C) the Dominant Unit Owner shall have the right, in its sole discretion, to increase service and/or maintenance levels, and/or add new service and/or maintenance features, to the Shared Office Limited Common Elements without having to obtain the consent of the Other Unit Owners (so long as the Dominant Unit Owner pays all costs in connection with or attributable to such increased levels and/or new services), in which case the Other Unit Owners shall (to the extent reasonably practicable) not be afforded the benefits of such increased levels and/or new features. As used herein, "Dominant Unit Owner" shall mean, from time to time, the Unit Owner (or group of Affiliated Unit Owners) of the Unit(s) which have the most space in the Building that use the Office Limited Common Elements described in Section 15.14.2 of the Declaration, and "Other Unit Owners" shall mean all Unit Owners which have a Budget Interest with respect to the "Office/Time Warner" Cost Control Category other than the Dominant Unit Owner.

(ix) Unless there is a Unanimous Budget Interest Vote to the contrary, each Cost Control Category budget shall include a "contingency/miscellaneous expenses" line item in an amount equal to five percent (5%) of all other line items in such Cost Control Category. In addition, by Majority Budget Interest Vote (subject to clause (v) of this Section 6.1.1(g)), a Cost Control Category budget may include a line item for reserves.

(x) The Condominium Board shall cause the General Common Elements to be operated consistent with each Cost Control Category budget in the Budget; provided, however, that in all events the Condominium Board shall have the right, and shall be obligated, to incur expenditures (x) as necessary or appropriate in connection with Emergencies and (y) for Mandatory Costs. Supplementing the preceding sentence, (1) subject to the proviso clause of the preceding sentence, the Condominium Board shall not, for any fiscal year, incur or permit to be incurred General Common Expenses with respect to any Cost Control Category in excess of the amount budgeted therefor in the applicable Budget; (2) so long as the applicable obligations of the Condominium Board are complied with, General Common Expenses incurred in a fiscal year with respect to any Cost Control Category may be less than the amount budgeted therefor in the applicable Budget and (3) savings realized in one line item within a Cost Control Category budget may be applied to other line items in such Cost Control Category budget, but not to line items in other Cost Control Category budgets. If, during the course of any fiscal year, there are unanticipated Mandatory Costs or Emergency expenditures, the applicable Cost Control Category budget or budgets shall be appropriately amended. The obligations imposed (and the rights granted to) the Condominium Board pursuant to the foregoing provisions of this clause (x) of Section 6.1.1(g) shall also be imposed on and granted to (A) the Dominant Unit Owner with respect to the "Shared Office/Time Warner" Cost Control Category and the budget with respect thereto and the Shared Office Limited Common Elements (subject, however, to the provisions of clause (viii) of this Section

6.1.1(g) and (B) the Hotel Unit Owner with respect to the "Hotel/ NT Residential" Cost Control Category, the budget with respect thereto and the Hotel/NT Residential Limited Common Elements (provided that for purposes of this clause (B), Mandatory Costs shall be deemed to include Shared Lobby Mandatory Costs).

(xi) The fiscal year of the Condominium shall be July 1-June 30 unless the Condominium Board determines otherwise by a Common Interest Vote of 66²/3%.

(h) Interim Operating Statement; Payment of General Common Charges. (i) The Condominium Board shall furnish to each General Common Charge Obligor, by no later than the later to occur of: (a) thirty (30) days prior to the commencement of each fiscal year (or, in the case of the fiscal year in which the Declaration is recorded, by the date of such recording) or (b) fifteen (15) days after the adoption of a Budget or amended Budget, a statement of the Condominium Board's reasonable estimate (subject to adjustment as provided in the Condominium Documents) of the amount of the General Common Charges payable by each such Person for such fiscal year (or partial year, if applicable) (each such statement, an "Interim Operating Statement") which statement shall present such charges and reserves shown allocated to each Cost Control Category together with such other reasonable detail and/or annotation as may be appropriate. (If the Condominium Board adopts a revised Budget during the course of a fiscal year, it shall issue an amended Interim Operating Statement to each such Person, as appropriate, without making any adjustments to take into account the time value of money). For the period covered by the Initial Budget, each General Common Charge Obligor shall pay to the Condominium Board (or as the Condominium Board directs), by no later than the tenth (10th) day of each month, in equal monthly installments in advance, the amount of the Condominium Board's estimate of the General Common Charges payable by each such Person, as shown on the Interim Operating Statement (or an appropriate adjusted amount (without any adjustment to take into account the time value of money) if there is an amendment to the Initial Budget). For each fiscal year following the period covered by the Initial Budget, each General Common Charge Obligor shall pay to the Condominium Board (or as the Condominium Board directs), by no later than the tenth (10th) day of each month, an amount equal to one-twelfth (1/12th) of the Condominium Board's estimate of the General Common Charges payable by each such Person, as shown on the Interim Operating Statement for such fiscal year (or an appropriate adjusted amount (without any adjustment to take into account the time value of money) if there is an amendment to the Budget for such fiscal year).

(ii) If the Condominium Board shall not furnish an Interim Operating Statement for any fiscal year prior to the commencement thereof, then: (a) until such Interim Operating Statement is furnished, as appropriate, each General Common Charge Obligor shall pay to the Condominium Board by no later than the tenth (10th) day of each month, an amount equal to the monthly sum payable to the Condominium Board by each such Person for the last month of the preceding fiscal year or partial fiscal year (excluding any portion of such prior monthly payment that relates to a Special Assessment previously explicitly stated as not continuing beyond such prior period); (b) promptly after the Interim Operating Statement is furnished or together therewith, the Condominium Board shall notify each General Common Charge Obligor whether the installments previously made for the applicable fiscal year were greater or less than the installments required to be made by each such Person for such fiscal year in accordance with such Interim Operating Statement; and (y) if there shall be a deficiency, the General Common Charge Obligor shall pay the amount of such deficiency within thirty (30) days after receipt of such notification; or (z) if there shall have been an overpayment, the Condominium Board shall credit such amount against the next payments to be made by the General Common Charge Obligor; provided, however, that if the amount of such credit exceeds the amount of the next installment due, the amount of such excess shall be paid by the Condominium Board to such General Common Charge Obligor within ten (10) days after the application of such credit; and (c) by no later than the tenth (10th) day of the month following the month in which the Interim Operating Statement is furnished to

each General Common Charge Obligor, and monthly thereafter until a new Interim Operating Statement is furnished, each General Common Charge Obligor shall pay to the Condominium Board an amount equal to one-twelfth (1/12th) of such General Common Charge Obligor's allocable share of General Common Charges for such full fiscal year, as shown on the Interim Operating Statement (or an appropriate adjusted amount if there is an amendment to the Budget for such fiscal year):

(iii) For so long as there shall be any Unsold Residential Units within a Residential Section, notwithstanding any other provision of the applicable Residential By-Laws to the contrary, the Initial Residential Grantee as the Unit Owner of such Unsold Residential Units shall pay directly to the Condominium Board, and not to the Residential Board but on the Residential Board's behalf, monthly, that portion of the Residential Common Charges (and any special assessments) assessed against such Unsold Residential Units which represent the General Common Charges included therein; and shall pay to the Residential Board, the balance of such Residential Common Charges not constituting General Common Charges included therein. In addition to (or together with) any statement or invoice provided by the Residential Board to the Residential Unit Owners within its Residential Section with respect to Residential Common Charges (and special assessments) then due and payable, the Residential Board shall also provide to the Initial Residential Grantee (with a copy to the Condominium Board) a monthly (or, as necessary, more frequent) statement from which the Initial Residential Grantee shall be able to determine the separate payments required by it to be made (as described above).

(i) Final Operating Statement: Year-End Reconciliation. (i) Not later than ninety (90) days after the end of each fiscal year, the Condominium Board shall furnish to each General Common Charge Obligor an operating statement for such fiscal year, which statement shall: (1) set forth the computation of the actual aggregate General Common Expenses, and reserves, allocable to each such General Common Charge Obligor for such fiscal year; (2) state the payments made by each such General Common Charge Obligor on account thereof; and (3) set forth, in comparative form, the corresponding figures for the previous fiscal year, if any (any such statement, a "Final Operating Statement") which statement shall present such expenses and reserves shown allocated to each Cost Control Category together with such other reasonable detail and/or annotation as may be appropriate. Each such Final Operating Statement shall be prepared in accordance with generally accepted accounting principles. In addition, such Final Operating Statement shall be accompanied by an audit, report and opinion of an independent firm of certified public accountants, which such audit, report and opinion shall be prepared in accordance with generally accepted auditing standards relating to reporting, subject to the general exceptions usually taken with respect to such audits, reports and opinions and shall include an audit, report and opinion with respect to the allocation of all General Common Expenses to each Cost Control Category and the allocations among the General Common Charge Obligors within each Cost Control Category. At the request of a General Common Charge Obligor, the Condominium Board shall provide copies of invoices and such other information reasonably required to enable such Person to confirm any or all items included in the General Common Expenses allocated to it and to the other General Common Charge Obligors.

(ii) If a Final Operating Statement shall show a deficiency between the sums paid by a General Common Charge Obligor for the fiscal year in question and such General Common Charge Obligor's allocable share of General Common Expenses (together with any reserves) for such fiscal year, then the General Common Charge Obligor shall pay to the Condominium Board the amount of such deficiency within thirty (30) days after receipt of such Final Operating Statement; or if the Final Operating Statement shows that there has been an overpayment, the Condominium Board shall credit such amount against the next payment of General Common Charges to be made by the General Common Charge Obligor to the Condominium Board; provided, however, that if the amount of such credit exceeds the amount of the next such installment due, the amount of such excess shall be paid by the Condominium Board to such General Common Charge Obligor within ten (10) days after the application

of such credit. The obligations of the Condominium Board and each General Common Charge Obligor with respect to any deficiency or overpayment hereinabove described shall survive the termination of the Condominium.

(j) Failure to Deliver a Statement Not Prejudicial. The Condominium Board's failure to render any statement hereunder with respect to any period shall not prejudice the Condominium Board's right to thereafter render any statement with respect thereto or the right of any General Common Charge Obligor to require and be furnished with same.

(k) General Common Charges Payable by Residential Boards; Security Agreements. As provided in each of the Residential By-Laws, each Residential Board shall allocate to and assess against each Residential Unit Owner within its Residential Section such Residential Unit Owner's allocated share (as determined in the applicable Residential By-Laws) of the General Common Charges and Special Assessments assessed by the Condominium Board against such Residential Board. Subject to the provisions of Section 6.1.1(h)(iii), the same shall be paid by each such Residential Unit Owner to its Residential Board as part of its Residential Common Charges. Each Residential Board, with respect to its Residential Section shall: (i) open a deposit account (as defined in Article 9 of the Uniform Commercial Code) with a bank in New York City which shall be the Account (as defined in the pledge agreement attached hereto as Exhibit 6.1.1(k) (the "Security Agreement"); (ii) simultaneously with the opening of such account (or on the same day thereof), grant a first priority security interest in the Collateral (as defined in the Security Agreement) to the Condominium Board by delivering an executed and completed copy of the Security Agreement (or an agreement substantially similar thereto) and the "UCC-1" financing statements described therein to the Condominium Board; and (iii) take all actions required to be undertaken under the terms of such Security Agreement (or such substantially similar agreement). No Residential Board (other than a Residential Board governing Other Residential Units that does not comply with the preceding sentence, as to which clause (c) of Section 10.4 of the Declaration applies (and as a consequence of said clause (c) such non-compliance by such Residential Board shall not be deemed a default or breach hereunder)) shall open any bank account unless such account is covered by a Security Agreement (or an agreement substantially similar thereto) and the "UCC-1" financing statements described therein.

(l) No Right to Opt-Out. There shall be no right of a General Common Charge Obligor or a Unit Owner to reduce its General Common Charges by opting out of any services or waiving any benefits provided by the Condominium Board.

(m) Special Assessments. In addition to the Condominium Board's right and duty to determine and fix the amount of and assess General Common Charges, the Condominium Board shall have the right to levy special assessments (each, a "Special Assessment") against the General Common Charge Obligors to meet General Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.1(g) above). Unless otherwise expressly provided in the Condominium Documents, any Special Assessment shall be due and payable by the General Common Charge Obligors fifteen (15) Business Days after notice of such Special Assessment is given to the General Common Charge Obligors by the Condominium Board. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of General Common Charges. Without limitation on the rights of the Residential Boards, in the event of a Special Assessment by the Condominium Board, each Residential Board may, in turn, levy its own special assessment against the Residential Unit Owners within its Residential Section in accordance with such Residential Board's Residential By-Laws. Special Assessments, as and when imposed by the Condominium Board, shall be determined, consistent with the purpose and intended use of the proceeds of the same, on a Cost Control Category by Cost Control Category basis and adopted in each case by a Budget Interest Vote (such vote requiring the same percentage for approval as would have been required had the amount of the proposed

Special Assessment been budgeted), subject, however, to the provisions of Section 6.1.1(g)(vi) hereof. The adoption by the Condominium Board of a Special Assessment and the allocation(s) thereof to one or more Cost Control Categories in accordance with the preceding sentence shall be binding on the Condominium Board in its use of such funds, and the Condominium Board shall allocate the same among the General Common Charge Obligors in accordance with the methodology for allocating General Common Charges within the applicable Cost Control Categories of the Budget.

(n) Delinquency Statements. No later than the tenth (10th) day of each calendar month, the Condominium Board shall send, to any General Common Charge Obligor which is more than ten (10) days past due with respect to the payment of any General Common Charges or Special Assessments (and to each of its Registered Mortgagees that has given an RM Notice), a notice setting forth the amount of all such delinquencies and all interest accrued thereon pursuant to the provisions hereof.

1.1.2 Except as otherwise provided herein, all costs and expenses in connection with the operation, care, upkeep and maintenance of, and the making of Alterations to, and Repairs of, the Limited Common Elements appurtenant to a Residential Section and the business and affairs of such Residential Section ("Residential Common Expenses") shall be determined (subject to maintaining Project Standards) (and incurred and paid) by the applicable Residential Board, and borne by the applicable Residential Unit Owners in the manner determined by the applicable Residential Board, but in all events in accordance with the applicable Residential By-Laws. Except with respect to any lien held by the Condominium Board on Unsold Residential Units (as hereinafter provided in Section 13.6.2), the applicable Residential Board shall be the sole holder of any lien for unpaid General Common Charges, Residential Common Charges or Special Assessments that may be allocated to and/or assessed against Residential Unit Owners.

1.1.3 Except as otherwise provided herein, all costs and expenses in connection with the operation, care, upkeep and maintenance of, and the making of Alterations to, and Repairs of, the Limited Common Elements appurtenant to a Non-Residential Unit shall be determined (subject to compliance with the obligations set forth in Section 6.2.4 hereof) and incurred and paid, by the owner of such Unit and shall be borne solely by such Unit Owner.

1.1.4 Rents and Profits from Common Elements and Other Spaces. (a) All rents, profits and revenues derived from the rental or use of any space or facility forming part of or included: (i) in any General Common Element, subject to the provisions of paragraph (b) below, shall be collected by the Condominium Board, as agent for and on behalf of the General Common Charge Obligors, and applied against General Common Expenses next arising within the Cost Control Category/ies to which such rents, profits or revenues pertain in proportion to the General Common Charge Obligors' respective shares therein, and if the same do not pertain to any Cost Control Category, then in proportion to the General Common Charge Obligors' respective Common Interests; (ii) in any Limited Common Element appurtenant to a Non-Residential Unit, shall be collected and retained by the Non-Residential Unit Owner to whose Unit such Limited Common Element is appurtenant; and (iii) in any Limited Common Element appurtenant to a Residential Section, shall be collected and retained by the applicable Residential Board of the Residential Section which includes such Limited Common Element (provided, however, that the Residential By-Laws applicable to a Residential Board may provide for the allocation of same to one or more particular Residential Unit Owners). Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental, licensing or use of any space in the Building be deemed to be derived from the rental, licensing or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

(b) Notwithstanding anything otherwise contained in this Section 6.1.4 or otherwise: (i) the rental or use of any and all of a Roof Telecom Platform and all rents, profits and revenues, if any, derived therefrom (and of any CRA's and all rents, profits and revenues, if any, derived therefrom) shall be collected by, and shall constitute the property of, the Unit Owner entitled hereunder or under the Declaration to erect such Roof Telecom Platform; and (ii) the rental or use of any and all Exclusive Use General Common Elements and all rents, profits and revenues, if any, derived therefrom shall be collected by, and shall constitute the property of, the Unit Owner(s) entitled, in accordance with the Declaration and Condominium, to use the same. Additionally, for the avoidance of doubt, the rental or use of any and all space in the Great Room or atrium of the Building, which areas are identified as part of the Retail Area on the Floor Plans (and are not and shall not be deemed to be a General Common Element), whether for banners, signage, promotional events, or otherwise, shall be the right solely of the Retail Unit Owner and all rents, profits and revenues derived from such rental or use shall be collected by, and shall constitute the property of, the Retail Unit Owner.

(c) The foregoing provisions of this Section 6.1.4 are not intended to and shall not prevent a Unit Owner or Residential Board from entering into an agreement with any Person pursuant to which such other Person shall be granted by the Unit Owner in question rights with respect to the use of and benefits (including, without limitation, revenues) from such granting Unit Owner's Area or Residential Board's Residential Section, as the case may be (including, without limitation, any agreement between the Retail Unit Owner and AOL Time Warner Inc. covering broadcast rights and the like.)

1.1.5 Foreign Government as Owner. Notwithstanding the provisions of Section 6.1.1, any Non-Residential Unit Owner that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (*i.e.*, diplomatic or sovereign immunity) shall deposit with the Condominium Board as security an amount equal to two (2) times the then current annual General Common Charges for such Unit, subject to increase from time to time as such General Common Charges increase, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws. In the event that such Non-Residential Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, without limiting any other right or remedy herein provided or otherwise available, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any General Common Charges or any other sum as to which such Unit Owner is in default, in which event such Unit Owner must, within ten (10) days thereafter, deposit with the Condominium Board, as additional security, an amount equal to the amount so used, applied or retained.

1.2 Maintenance Obligations; Costs of Same.

1.2.1 General. Except as otherwise provided in the Declaration or these By-Laws (including, without limitation, Section 6.2.2 and Article 8 hereof), all operation, care, upkeep, maintenance, insurance, Repairs and Alterations, painting and decorating, whether structural or non-structural, ordinary or extraordinary, including, without limitation, with respect to plumbing, heating, ventilating, electrical (including emergency power systems), air-conditioning and telecommunications systems, fixtures, Equipment and appliances:

(a) in or of a Residential Section (but excluding any General Common Elements that may be included therein, as and to the extent provided in these By-Laws) shall be made or performed in the manner, and by and at the sole cost and expense of the Unit Owners within the Residential Section, as is provided for, described and allocated within such Residential Section's Residential By-Laws, but in all events in accordance with Project Standards;

(b) in or of any Non-Residential Area (but excluding any General Common Elements that may be included therein, as and to the extent provided in these By-Laws) shall be made or performed by such Non-Residential Unit Owner at its sole cost and expense, but in all events in accordance with Project Standards; and

(c) in or of the General Common Elements (including, without limitation, Building Systems, but subject to the limitations set forth in Section 6.2.2(d) and Section 8.3 hereof with respect to Exclusive Use General Common Elements) shall be made or performed by the Condominium Board in accordance with Project Standards, and the cost and expense thereof shall be charged as a General Common Expense (subject to, without limitation, the provisions with respect to Fixed Allocations) to the General Common Charge Obligors as and in the manner provided in these By-Laws.

1.2.2 Exceptions. Notwithstanding the provisions of Section 6.2.1:

(a) Negligence; Fault. In the event and to the extent that any operation, care, upkeep, maintenance, Repair and Alteration, painting and decorating, whether structural or non-structural, ordinary or extraordinary (collectively, any "Necessary Work"), is required to be made or performed, or any increase in insurance premiums is required to be paid, with respect to the General Common Elements (including, without limitation, Exclusive Use General Common Elements, Roofs and Building Systems) as a result of the negligence, misuse, neglect or abuse of: (i) any Non-Residential Unit Owner or its Occupants or Permittees, the entire cost thereof (the "Resulting Cost") shall be borne entirely by such Non-Residential Unit Owner; (ii) the Condominium Board or its Permittees, the Resulting Cost shall be charged to the General Common Charge Obligors as a General Common Expense and allocated in accordance with the Cost Control Category applicable to such work; (iii) a Residential Board or its Occupants or Permittees (including the Residential Unit Owners within its Residential Section), the Resulting Cost shall be borne by such Residential Board as an obligation of such Board (but the Residential Board may for its own purpose allocate such cost to one or more Residential Unit Owners if such cost is attributable to such Unit Owner(s), or as otherwise provided in the applicable Residential By-Laws); except, with respect to all of the foregoing in each case, to the extent that the Resulting Cost is covered by the proceeds of any insurance actually maintained, or would have been so covered had the insurance that was required to be maintained pursuant to the provisions of these Condominium By-Laws or the applicable Residential By-Laws actually been maintained. The Resulting Cost shall not be deemed covered by insurance proceeds pursuant to the preceding sentence to the extent of any applicable deductibles. The foregoing shall not give rise to any claim on the part of any Person for consequential, special, exemplary or punitive damages. As used in the first sentence of this Section 6.2.2(a), "misuse" shall include, with respect to the Roofs described in Section 15.13.1 of the Declaration, any use as a terrace or recreation area, provided that (1) subject to clause (2) of this sentence, to the extent any Necessary Work as a result of such use would, absent such use, have been required at a later date, the Resulting Cost thereof shall be deemed to be equal to the amount by which the cost of such Necessary Work exceeds the present value, as of the date such Necessary Work begins and using a discount rate equal to the Prime Rate (as of such date) plus two (2) percent, of the cost of such Necessary Work if such use had not taken place and therefore the Necessary Work will not be performed until a later date and (2) to the extent the expected useful life of any such Roof (including any replacement thereof), taking into account its use as a terrace or recreation area but also taking into account its manner of construction, is not less than the expected useful life of the other Roofs, the Resulting Cost with respect to any replacement of any such Roof shall be deemed to be zero.

(b) Cleaning of Windows. The exterior glass surfaces of all exterior windows in the Building including, without limitation, those of the Building Frow, and the Great Room side of the glass wall that fronts on The Allen Room portion of the Performing Arts Unit, shall be washed and cleaned by the Condominium Board as often as is provided in the Budget, and the cost thereof shall

be charged to the General Common Charge Obligors as a General Common Expense. The Performing Arts Unit Owner shall at its sole cost and expense cause the Performing Arts Unit-side of the aforementioned window, and each of the Office Unit Owner, Time Warner Unit Owner and Retail Unit Owner shall at its sole expense cause the interior side of its exterior windows, to be cleaned at least three (3) times each year, or such greater number of times as the other side of such window shall be cleaned pursuant to the Budget. Each of the Retail Unit Owner, the Hotel Unit Owner, the Time Warner Unit Owner, the Performing Arts Unit Owner and the Office Unit Owner may, at its election, by notice thereof given to the Condominium Board from time to time, at reasonable intervals and at the sole cost and expense of the requesting Unit Owner, request the Condominium Board to provide (and it shall thereupon provide) additional washing and cleaning of all or any portion of the (i) exterior windows adjacent to or enclosing the Retail Area, on the ground floor of the Building or otherwise, in the case of a request by the Retail Unit Owner; (ii) exterior windows adjacent to or enclosing the Hotel Area, in the case of a request by the Hotel Unit Owner; (iii) exterior windows and Great Room-side of the glass wall that fronts on The Allen Room portion of the Performing Arts Unit, in the case of a request by the Performing Arts Unit Owner, (iv) exterior windows adjacent to or enclosing the Time Warner Area and/or constituting the Building Prow, in the case of a request by the Time Warner Unit Owner, and (v) exterior windows adjacent to or enclosing the Office Unit Area, in the case of the Office Unit Owner.

(c) Replacement of Windows. Any replacement of glass windows in a Unit, to the extent the same constitutes part of the General Common Elements, because of breakage or otherwise, shall be made by the Condominium Board, and charged to the General Common Charge Obligors as a General Common Expense, on an allocated basis (as shown on Exhibit 2), unless such breakage is caused by or attributable to the negligence, misuse or abuse of a Unit Owner or its Occupants or Permittees, in which event such replacement of glass windows shall be made by the Condominium Board and the cost thereof shall be allocated as described in subsection 6.2.2(a) above.

(d) Exclusive Use General Common Elements. Subject to Section 6.2.2(a) and Article 8 of these By-Laws and Article 15 of the Declaration, all operation (including the cost of any utilities), care, upkeep, maintenance, Repairs and Alterations (subject to the next sentence), and painting and decorating, of Exclusive Use General Common Elements (excluding the Time Warner Loading Dock Area), shall be made by the applicable Unit Owners and Boards having the sole exclusive use of or shared or joint exclusive use of such areas (as provided in Article 15 of the Declaration) at its/their sole cost and expense. Subject to Sections 6.2.2(a) and 8.3 hereof, any structural or extraordinary Repairs or Alterations of or to Exclusive Use General Common Elements shall be made by the Condominium Board and charged to the General Common Charge Obligors as a General Common Expense and allocated as shown on Exhibit 2 within the applicable Cost Control Category. Additional requirements regarding the maintenance and Repair of terraces appurtenant to Residential Units are addressed in the Residential By-Laws.

(e) Roofs; Roof Telecom Platforms; CRA's. The operation, care, upkeep, maintenance, Repair and Alteration, whether structural or non-structural, or ordinary or extraordinary, of any Roof Telecom Platform and any equipment described in Section 15.9 of the Declaration (the physical portions of which shall be a Limited Common Element of the applicable Unit Owner or Residential Board) shall be the obligation of, and the expense thereof shall be borne by, the applicable Unit Owner or Residential Board. Additionally, if the Time Warner Unit Owner exercises its rights under Article 15 of the Declaration to install and erect a central receiving array ("CRA"), the physical portions of which shall be a Time Warner Limited Common Element, on the roof of the South Tower and/or North Tower, then the operation, care, upkeep, maintenance, Repair and Alteration, whether structural or non-structural, or ordinary or extraordinary, of any such CRA, and whether on the roof of the North Tower or South Tower, shall be the obligation of, and the expense thereof shall be borne by, the Time Warner Unit Owner. Under no circumstances shall any CRA (or any other equipment) be used, installed or placed in such a

manner which would result in radiation or emissions in excess of any applicable Laws. In the event and to the extent that any operation, care, upkeep, maintenance, Repair or Alteration is required to be made or performed, or any increase in insurance premiums is required to be paid, with respect to the Roofs and Building Systems as a result of the installation, use and maintenance of any Roof Telecom Platform, CRA or equipment of the type described in Section 15.9 of the Declaration, the entire cost thereof shall be borne by the applicable Unit Owner or Residential Board.

(f) Elevator Shaft Wall Surfaces. Each General Common Charge Obligor shall have the right, in its sole discretion, to perform or cause to be performed finishing and furring work on the exterior surfaces of the walls surrounding any elevator shafts that are adjacent to its Area or Section; provided, however, that any General Common Charge Obligor that performs or causes to be performed any such work shall be responsible for all costs in connection with such furring and finishing and the maintenance thereof and shall also pay, as and when incurred and as General Common Charges, any and all increased insurance premiums and maintenance costs (including costs required to comply with Laws) with respect to any of the General Common Elements that are caused by or attributable to such furring and finishing or the maintenance thereof.

1.2.3 Manner of Performing Maintenance and Repairs. All maintenance and Repairs by any Unit Owner or Board shall be made in accordance with the provisions of Sections 8.1.4 as if the references therein to Alterations were references to maintenance and Repairs. In the event that any Repairs to be made by any Unit Owner or Board would affect the structure of the Building (including, without limitation, any of the General Common Elements) or the Building Systems, the same shall be made in accordance with the then-current plans and specifications for the Building which shall be made available by the Condominium Board at no cost, except that if the Unit Owner or Board making such Repairs desires to make changes from such then-current plans and specifications in respect of the structures of the Building or the Building Systems, such changes shall constitute Alterations to be made subject to the provisions of Article 8 hereof (and, in the case of a Residential Unit Owner, the provisions of the applicable Residential By-Laws).

1.2.4 Standard of Maintenance. Each Unit (and all portions thereof), each Limited Common Element and the General Common Elements shall be kept and maintained in such a manner as meets or exceeds Project Standards, as appropriate for such portion of the Building, by whichever of the Unit Owners or Boards is responsible for the maintenance and Repair thereof under the Condominium Documents; and each such Unit Owner, Condominium Board or Residential Board shall promptly make or perform, or cause to be made or performed, all maintenance work, Repairs, Alterations, painting or decoration as are necessary in connection therewith and to ensure that such Unit, Limited Common Element or General Common Element meets or exceeds Project Standards. The covenants with respect to Project Standards set forth in this Section 6.2.4 and elsewhere in the Condominium Documents do not require that any portion of the Building be used or operated so as to qualify as one of the uses referred to in the definition of Project Standards (e.g., as luxury hotel accommodations), but only require that the appearance and condition of the portion of the Building as to which the applicable covenant applies be consistent with Project Standards; provided, however, that (a) the Project Standards are also (in addition to being an appearance and condition standard) a quality standard with respect to the General Common Elements and the obligations imposed on the Condominium Board, Unit Owners and Residential Boards with respect thereto; (b) the Project Standards are only a condition standard (and not an appearance standard) with respect to all "non-public" components of each Unit and Limited Common Element; and (c) this sentence does not apply to the covenants with respect to Project Standards set forth in Section 1.6 of the Declaration. As used in the preceding sentence, a "non-public" component is any component other than (i) all ground floor lobbies and (ii) all components that are visible from the street outside the Building or from any portion of the "Great Room" of the Retail Unit (including the "banana" portion thereof).

1.3 **Warranties.** All guaranties and/or warranties of workmanship, materials and/or furnishings made or given by any contractor, subcontractor, supplier, materialmen, builder, or any other third party, in connection with the construction of, work done in, or the installation of Building Systems constituting a portion of, the General Common Elements (collectively, the "Warranties") and held by the Condominium Board (including, without limitation, those Warranties assigned or to be assigned to the Condominium Board pursuant to the Development Agreements), shall be enforced or caused to be enforced by the Condominium Board promptly (including upon the request of a General Common Charge Obligor) and in a non-discriminatory manner; and the Condominium Board shall not approve any work in the Building that would violate any applicable warranty unless the Person proposing to perform such work shall cause at least equivalent warranty coverage or other satisfactory protection (all as determined in the Condominium Board's discretion) to be obtained or provided. Without limitation, the enforcement of Warranties, as and to the extent herein provided, shall be deemed to be an obligation of the Condominium Board with respect to the General Common Elements; and the General Common Charge Obligors shall have the rights with respect to the Condominium Board's failure to enforce the same as and to the extent provided in Article 13 of these By-Laws. All guaranties and/or warranties of workmanship, materials and/or furnishings made or given by any contractor, subcontractor, supplier, materialmen, builder, or any other third party, in connection with the construction of, work done in or the installation of any systems in or forming a part of, the Residential Limited Common Elements shall be enforced or caused to be enforced by the applicable Residential Board.

1.4 **Cooperation.** All Unit Owners and Boards shall cause their respective employees, and the employees of their respective managing agents, in the event of an Emergency, to assist the employees of whichever of the Boards or a Non-Residential Unit Owner is responsible for making appropriate Repairs or implementing necessary safety measures.

1.5 **Utility Services.** Utilities are provided and supplied to the Property and are distributed within the Building to each "Utility Service Area" and to the General Common Elements, and shall be paid for, as hereinafter set forth. For purposes of this Section 6.5, a "Utility Service Area" means each Non-Residential Unit (together with its appurtenant Limited Common Elements and Exclusive Use General Common Elements, if any) and each Residential Section (together with its Residential Limited Common Elements and Exclusive Use General Common Elements, if any).

1.5.1 Electricity.

(a) General. Electricity service for the Building will be provided by Consolidated Edison Company of New York, Inc. ("Con Ed") or other utility company/ies or supplier(s) from time to time serving the Property and distributed to and for each Utility Service Area. The actual usage thereof shall be measured through one or more electric meters or submeters; and each General Common Charge Obligor shall be required to make payment therefor to the Condominium Board which shall be responsible for paying the utility company/ies or supplier(s) supplying such electricity.

(b) Direct Metering. Notwithstanding the foregoing, in the event and to the extent that any General Common Charge Obligor shall at any time have or arrange to have all or some of its electricity service supplied directly and exclusively to and for all or any portion of its Utility Service Area, by Con Ed or another utility or supplier, the cost of such electricity shall be paid by such General Common Charge Obligor directly to such supplier and the Condominium Board shall not be obligated to pay any part of any cost required for such direct electric service. By way of example, it is anticipated that upon the recording of the Declaration, all or substantially all of the Performing Arts Area will be directly metered for electricity.

1.5.2 Gas. Gas for the Building will be supplied by Con Ed or other utility company/ies or supplier(s) from time to time serving the Property and directly metered (through one or more separate direct meters) to each Utility Service Area or portion thereof requiring gas service from time to time. Each General Common Charge Obligor (or other Person) having or arranging to have gas service supplied and metered directly to all or any portion of its Utility Service Area shall pay the cost of such gas service directly to the applicable utility company or supplier and the Condominium Board shall not be obligated to pay any part of any cost required for such direct gas service.

1.5.3 Domestic Water; Sewer Rents. Domestic water and sewer services for the Building shall be supplied by The City of New York or other utility servicing the Property. Except to the extent any Unit Owner or Residential Board is billed directly therefor by the City Collector, the Condominium Board shall measure the actual usage of domestic water by each General Common Charge Obligor with respect to its Utility Service Area through one or more submeters, and each General Common Charge Obligor shall be required to make payment therefor to the Condominium Board, which shall be responsible for paying the City or other utility supplying such services. Sewer usage will not be separately submetered and the cost thereof or rents therefor will be allocated in accordance with the cost of domestic water usage. Domestic hot water will not be provided by the Condominium and, to the extent the same is desired, each General Common Charge Obligor will be responsible at its own expense to make arrangements therefor within its Utility Service Area.

1.5.4 Chilled Water. Chilled water (for air conditioning) will be provided by the Condominium from the Building's central plant to and for each Utility Service Area (except, in the case of the Time Warner Area, to the extent the same is, as of the date hereof, intended to be separately provided for by the Time Warner Unit Owner). The actual usage thereof shall be measured through one or more submeters.

1.5.5 Steam. Steam will be provided to the Building by Con Ed or other utility company/ies or supplier(s) from time to time serving the Property and distributed to and for each Utility Service Area. The actual usage thereof shall be measured through one or more submeters; and each General Common Charge Obligor shall be required to make payment therefor to the Condominium Board, which shall be responsible for paying the utility company/ies or supplier(s) supplying such steam.

1.5.6 Utilities for General Common Elements. The usage and consumption of electricity, gas, domestic water, sewer service, chilled water, steam and any other utility by, for or in respect of the General Common Elements will be separately metered, submetered or otherwise determined and the costs and charges therefor will be allocated among the General Common Charge Obligors as a General Common Expense in accordance with the method(s) set forth in this Article 6 and in Exhibit 2 annexed hereto.

1.5.7 Utility Costs Payable as General Common Charges. All amounts payable to the Condominium Board by the General Common Charge Obligors in respect of utilities as set forth above shall be considered and payable as General Common Charges. The Condominium Board may require each General Common Charge Obligor to pay monthly in advance to the Condominium Board the charges reasonably estimated or anticipated as being attributable to each such General Common Charge Obligor with respect to such utilities. All such estimated charges shall be subject to periodic adjustment based upon actual usage.

1.5.8 Meter Readings.

(a) The Condominium Board shall, as necessary, engage the services of a reputable meter reading and/or billing company to act on its behalf in properly billing and accounting for each General Common Charge Obligor's share of utility costs reimbursable to the Board.

(b) All such billings to General Common Charge Obligors by or on behalf of the Condominium Board with respect to metered or submetered utilities shall be at the Building's and/or Condominium Board's cost (after applying the benefit of any bulk rate or other discounts) and without any markup; except that the allocable cost of reading the meters or submeters of each General Common Charge Obligor may be added to the charges payable to the Condominium Board by each such General Common Charge Obligor.

1.5.9 Further Submetering.

(a) Each General Common Charge Obligor shall have the right to sub-meter or allocate, as applicable and as determined in its sole discretion, all or any portion of the utilities within its Utility Service Area and, to bill or otherwise collect amounts from its Occupants or Residential Unit Owners, as the case may be, with respect thereto. Subject to Section 6.5.9(b) below, the individual Residential Unit Owners shall pay their share of their Residential Section's utility costs to the applicable Residential Board in the manner provided in the applicable Residential By-Laws. No such sub-submetering or other allocations or arrangements made by a General Common Charge Obligor, however, shall affect or diminish the primary obligation of such General Common Charge Obligor to the Condominium Board with respect to any such charges, as applicable.

(b) With respect to the sub-submetering of electricity provided to individual Residential Units within a Residential Section, the rates and charges payable by each individual Residential Unit Owner to its Residential Board in respect of such Residential Unit Owner's share of such Residential Board's obligations to the Condominium Board therefor, shall be based on actual sub-submetered energy consumption (KWHRS) for the individual Residential Units and the average monthly cost of electricity (KWHRS) to the applicable Residential Board. Charges for such sub-submetered electricity will also include the actual cost of preparing individual bills for the Residential Unit Owners. The capital cost of the sub-submetering equipment will not be charged to the Residential Unit Owners as part of the charges for electric service. The rates and charges payable by each Residential Board and each Residential Unit will be capped so that in no event will charges for electricity (including billing charges) exceed the charges that would be payable by such Residential Board or Residential Unit Owner, as the case may be, as direct customers of Con Ed at the applicable rate (SC-1).

ARTICLE 7

REAL ESTATE TAXES; TAX CERTIORARI PROCEEDINGS

7.1 Real Estate Taxes; Impositions.

7.1.1 Until the Units are separately assessed and billed for real estate tax purposes, the Condominium Board will pay all real estate taxes with respect to the Property to the Department of Finance of The City of New York (or directly to Declarant if and to the extent Declarant has paid such taxes) and allocate the cost thereof (and all refunds thereof) among all the Units as hereafter set forth. The Condominium Board will first allocate such taxes to each General Common Charge Obligor in accordance with their respective proportionate Common Interests (reduced or exempted, in the case of the allocation to the Performing Arts Unit, to the extent that, and in respect of any period for which, the Property's aggregate real estate taxes are reduced or exempted as a result of any exemption in effect on account of the Performing Arts Unit). The allocation of the Property's taxes to each Residential Board will then be pro-rated among the individual Residential Units within such Board's Residential Section in the manner set forth in the applicable Residential By-Laws. The General Common Charge Obligors shall be responsible and shall pay the Condominium Board for their respective allocated shares (determined as aforesaid), which payments shall be payable as if the same were General Common Charges and will be due at least ten (10) Business Days prior to the due date of such taxes. Such taxes will be paid by the Condominium Board in a timely manner so that no lien will be placed on the Property or on any Unit. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the non-payment of real estate taxes assessed against or allocated to any other Unit(s).

7.1.2 Each Unit Owner shall be responsible for the Impositions payable in respect of its Unit or Area.

7.2 Tax Certiorari Proceedings. The Condominium Board, on behalf of and as agent for all or any of the Non-Residential Unit Owners, shall commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the respective Non-Residential Units but only to the extent requested and authorized to do so, in writing, by the appropriate Non-Residential Unit Owners thereof, and provided such Non-Residential Unit Owners indemnify the Condominium Board and the other Unit Owners from and against all claims, costs and expenses (including, without limitation, attorneys' fees and expenses) resulting from such proceedings. During the pendency of any such proceedings, all Non-Residential Unit Owners making such request to the Condominium Board and joining therein shall share in the costs thereof in relative proportion to their respective Common Interest; and upon the conclusion of any such proceedings, such Persons shall, after retroactive adjustment for any overpayments or underpayments as a result of prior sharing on the basis of Common Interest, share in the costs thereof in relative proportion to the benefits derived by such Unit Owners therefrom. In the event any Non-Residential Unit Owner individually seeks to have the assessed valuation of its Non-Residential Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary or desirable for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner (at such Unit Owner's cost and expense) in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, attorneys' fees and expenses) resulting from such proceedings.

ARTICLE 8

ALTERATIONS; BUILDING SIGNAGE

8.1 Alterations to Units and Limited Common Elements.

8.1.1 Approvals Required

(a) General. Except as may otherwise be provided in this Section 8.1, each Unit Owner shall have the right to make or perform (which terms, for the purposes of this Section 8.1,

shall also include permit, cause and suffer) Alterations in or to all or any portion of its Unit, and each Non-Residential Unit Owner, Residential Board and Sub-Board (with a right of assignment by such Residential Board or Sub-Board to one or more of its Unit Owner(s)) shall have the right to make or perform Alterations in or to all or any portion of its Limited Common Elements, in each case, without the vote or consent of any Board or any other Unit Owner. Every such Alteration, in its performance and upon completion, shall at all times be subject to and in compliance with the Restrictions Instrument, all applicable Laws, Project Standards, and any other applicable provision of this Article and the Condominium Documents. The approval rights set forth in paragraphs (b)-(i) of this Section 8.1.1 operate independently of each other, so that, for example, with respect to any particular Alteration, a Non-Residential Unit Owner may have an approval right under one of said paragraphs notwithstanding that it does not have such approval right under another of said paragraphs.

(b) From the Condominium Board. Subject to Articles 9 and 10 of the Declaration but notwithstanding any other provision of the Condominium Documents, the prior written approval of the Condominium Board shall be required if any such Alteration would either (x) in the course of its performance or (y) upon completion:

(i) affect (to more than a *de minimis* extent) the General Common Elements (including, without limitation, the Exclusive Use General Common Elements) or the structure of the Building or the Building Systems (including, without limitation, the mechanical, electrical or plumbing systems or any structural columns or load-bearing walls); or

(ii) increase insurance premiums, maintenance costs or costs required to comply with Laws of the Condominium or of any of the General Common Elements (unless the Unit Owner or Board, as the case may be, making such Alteration agrees in writing to pay, as an increase in such Unit Owner's or Board's General Common Charges and as the applicable premiums are paid or costs incurred, the amount of such increase for so long as such increase exists);

provided, however, that in the case of the application of clause (x) of this sentence to clause (i) of this sentence, the approval of the Condominium Board may not be unreasonably withheld, conditioned or delayed if (and only if) there is no commercially practicable alternative method of performing such Alteration which would eliminate such adverse effect and the Person performing such Alteration undertakes commercially reasonable efforts to minimize the extent and duration of such adverse effect.

(c) From Owners of Significant Units. Subject to Articles 9 and 10 of the Declaration but notwithstanding any other provision of the Condominium Documents, the prior written approval of the Condominium Board and of each Non-Residential Unit Owner owning individually more than 350,000 gross square feet of space in the Building (including, for these purposes, appurtenant Limited Common Element space) shall be required if any such Alteration would:

(i) change (to more than a *de minimis* extent) the massing of the Building, the façade of the Building (including any change to the exterior finishes and materials of the Building, and any lanterns or treatment on the top of the Building), any lighting on or of the exterior of the Building, and the Building Prow;

(ii) materially change the overall layout, scale or volume of the Great Room;

(iii) change (to more than a *de minimis* extent) the location and dimensions of any marquees or canopies (but not the Performing Arts Unit marquee or canopy) located: (A) on the West 58th Street side of the Building or on Columbus Circle; or (B) at the entrance on West

60th Street servicing the lobby shared between the Time Warner Unit and the Office Unit (except, to the extent otherwise required, the approval of the Time Warner Unit Owner shall nevertheless not be required with respect to such West 60th Street entrance at any time that the Time Warner Unit shall no longer include 20,000 gross square feet of office space located in the North Tower and principally accessed by such lobby);

(iv) any material change to any plan for landscaping or streetscaping work on or adjacent to the Property; and

(v) any material traffic changes to, or streetscape design for, Columbus Circle, to the extent Developer or the Declarant or the Condominium Board is to perform any such work (it being understood, in any event, that such matters shall be subject to the requirements and design processes of the City).

(d) From Affected Persons. Subject to Articles 9 and 10 and Section 15.7 of the Declaration but notwithstanding any other provision of the Condominium Documents, the prior written approval of the affected Unit Owner and/or Residential Board shall be required if any such Alteration (whether performed by a Unit Owner or a Board) would either (x) in the course of its performance or (y) upon completion adversely affect (to more than a *de minimis* extent): (i) any Unit Owner's Unit, appurtenant Limited Common Elements or Exclusive Use General Common Elements (although only the approval of the applicable Residential Board shall be required to the extent of any effect limited generally to a Residential Section's Limited Common Elements or Exclusive Use General Common Elements and not specifically affecting one or more Residential Unit(s) within such Residential Section); (ii) access to, or use, location, size and/or area of, any such Non-Residential Unit Owner's or Residential Section's ground level entrance(s) (including those portions of the Building facade immediately surrounding the same), lobby/ies (including if the same are shared), loading dock(s) or bay(s) (including if the same are shared), elevators, escalators, stairways and stairwells, Roof Telecom Platform(s) and risers thereto and related Equipment, and CRA's and related Equipment; (iii) the structure or any of the systems or Equipment in or serving the Area of a Non-Residential Unit Owner or the Residential Section of a Residential Board (including, without limitation, the mechanical, electrical or plumbing systems), and the acoustical ratings for any Areas, or separating Areas from other Areas or Units or Limited Common Elements; (iv) any easements or rights of access granted in the Declaration (subject to the terms of Article 15 thereof); and (v) the rights of any Unit Owner or other Person pursuant to Articles 9 and 10 of the Declaration; provided, however, that in the case of clause (x) of this sentence, the approval of any Person so affected may not be unreasonably withheld, conditioned or delayed if (and only if) there is no commercially practicable alternative method of performing such Alteration which would eliminate such adverse effect and the Person performing such Alteration undertakes commercially reasonable efforts to minimize the extent and duration of such adverse effect. For purposes of this paragraph "(d)", and without limitation, a Unit Owner with respect to its Unit, and a Residential Board with respect to its Residential Section, shall be considered "adversely affected (to more than a *de minimis* extent)" by a more than *de minimis* increase in the insurance premiums or maintenance costs payable by such Person (unless the Unit Owner or Residential Board, as the case may be, making the Alteration and causing such effect agrees in writing, with the Condominium Board and the affected Unit Owner or Residential Board, to pay to the Condominium Board for the account of the affected Unit Owner or Residential Board (or, at the option of the affected Person, directly to such Person), as an increase in such Unit Owner's or Board's General Common Charges and as the applicable premiums are paid or cost incurred, the amount of such increase for so long as such increase exists); provided, however, that in the case of any Alterations to the Hotel/NT Residential Limited Common Elements by or on behalf of the Hotel Unit Owner, any and all increases in the insurance premiums and maintenance costs with respect to the Hotel/NT Residential Limited Common Elements shall be deemed to not adversely affect (to more than a *de minimis* extent) the Hotel/NT Residential Limited Common Elements.

(e) [Intentionally omitted]

(f) From the Performing Arts Units Owner. Subject to Articles 9 and 10 of the Declaration, the prior written approval of the Performing Arts Unit Owner shall be required if an Alteration would, either (x) in the course of performance or (y) upon completion, materially change, cover or otherwise materially affect any portion of the following areas: (i) the façade of the Building immediately in front of and/or below The Allen Room portion of the Performing Arts Unit; (ii) the glass wall of the Great Room of the Retail Unit that fronts on The Allen Room portion of the Performing Arts Unit; (iii) the Building entrance located at the corner of 60th Street and Columbus Circle; (iv) the façade of the Building immediately behind and/or immediately above the upward sloping portion of the Performing Arts Unit marquee located at the corner of 60th Street and Columbus Circle; or (v) the Performing Arts Unit's exclusive signage panel, as shown in the Signage Guidelines, and the mullion next to the Building entrance located at the corner of 60th Street and Columbus Circle; provided, however, that in the case of clause (x) of this sentence, the approval of the Performing Arts Unit Owner may not be unreasonably withheld, conditioned or delayed, if (and only if) there is no commercially practicable alternative method of performing such Alteration which would eliminate such adverse effect and the Person performing such Alteration undertakes commercially reasonable efforts to minimize the extent and duration of such adverse effect.

(g) From the Retail Unit Owner Regarding the PAU Box Office. The prior written approval of the Retail Unit Owner shall be required with respect to any Alteration that would, either in the course of performance or upon completion, change or otherwise affect the appearance of the Performing Arts Unit ticket booth/box office. The approval of the Retail Unit Owner shall not be unreasonably withheld, provided, the box office is at all times maintained in accordance with Project Standards and does not contain (and is not proposed to contain) any design, feature or element which is inconsistent with the overall design, appearance and program of the Retail Areas or with the Signage Guidelines.

(h) For Traffic Changes. Subject to Articles 9 and 10 of the Declaration, the prior written approval of the affected Unit Owner(s) and/or Residential Board(s) shall be required if any Alteration (whether performed by a Unit Owner or a Board) would cause any material traffic changes to the street in front of such Person's entrance(s) to the Building (it being understood, in any event, that such matters shall be subject to the requirements and design processes of the City).

(i) From the Hotel Unit Owner. The prior written consent of the Hotel Unit Owner shall be required with respect to any Alteration that would cause the overall massing of the Building to no longer include two (2) towers on a base.

8.1.2 Approval of Plans. All requests for approval required with respect to a proposed Alteration shall include a written description of (a) the particular components of such Alteration, and/or the aspects of the performance of such Alteration, that cause the approval to be required, and (b) any encroachment onto General Common Elements, a Unit Owner's Area or a Residential Board's Section that would result from such Alteration, and shall be accompanied by a set of the relevant plans and specifications for the proposed Alteration, which plans and specifications shall be subject to the review and approval of the Person(s) from whom or which approval is required under Section 8.1.1 above; provided, however, that if the Alteration is in the nature of a Repair and the Person proposing such Alteration utilizes either plans and specifications which were used for the original construction of the item being repaired or replaced or which were previously reviewed and approved by the Condominium Board or such other Person entitled to a right of approval in connection with a previous Alteration, the request for approval shall specifically so state and no further approval of such plans and specifications shall be required, to the extent that such Repair or Alteration does not exceed the scope of any such original or

previously approved plans. In addition, any right of approval with respect to plans and specifications shall be limited to those portions or elements of the work reflected therein which give rise to the right of approval. (*By way of illustration only* and without constituting a substantive provision of these By-Laws, if a certain portion of a Unit's mechanical Equipment would be adversely affected by an Alteration proposed by another Unit Owner and, as a result, the Unit Owner of such affected Unit has a right of approval with respect to such Alteration, such right of approval shall be limited to only those elements of the proposed Alteration and the plans and specifications therefor giving rise to the threatened adverse effect.)

8.1.3 Approvals Given, Deemed Given, Denied or Conditioned. Any approval required pursuant to the foregoing provisions of this Section 8.1 shall be deemed given if not given or denied or conditioned within twenty (20) Business Days after an initial request therefor and three (3) Business Days following receipt of a second request therefor accompanied by a copy of the initial request (and any supporting materials) and stating in bold print: "THIS IS A SECOND AND FINAL REQUEST FOR YOUR APPROVAL OF THE ALTERATIONS DESCRIBED HEREIN WHICH APPROVAL IS REQUIRED UNDER THE TERMS OF THE CONDOMINIUM DECLARATION AND/OR BY-LAWS. YOUR FAILURE TO RESPOND WITHIN THREE BUSINESS DAYS FROM THE DATE HEREOF SHALL BE DEEMED TO CONSTITUTE YOUR APPROVAL OF SAME." Any denial or conditioning of approval with respect to an Alteration shall expressly state the grounds therefor in reasonable detail; and, to the extent the grounds relate to the proposed plans and specifications, the Person having such right of approval shall reasonably cooperate with the proponent of the Alteration in facilitating the revision of such plans and specifications so that the same may be rendered acceptable; and approvals of plans and specifications shall not be unreasonably withheld, conditioned or delayed.

8.1.4 Costs; Manner of Performing Alterations.

(a) Subject to Articles 9 and 10 of the Declaration, all Alterations made by a Unit Owner or a Residential Board shall be performed:

- (i) in accordance with approved plans and specifications, as and to the extent required;
- (ii) at the sole cost and expense of the Person performing the Alterations (including, without limitation, the reasonable costs of: (x) any necessary amendment of the Declaration and the Floor Plans, if appropriate, to reflect any such Alterations; (y) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (copies of which shall be delivered to the Condominium Board promptly after the issuance thereof and prior to the commencement of any Alterations, and with respect to which the Boards and the Unit Owners shall reasonably cooperate) and obtaining any amendment to the Certificate of Occupancy for such Unit or other portion of the Building, if necessary; and (z) any reasonable out-of-pocket architectural, engineering and legal fees incurred by the Person entitled to consent in connection with reviewing and approving the submission for approval and plans and specifications and in monitoring such Unit Owner's compliance with the provisions of the Condominium Documents);
- (iii) obtaining the insurance required hereunder and obtaining such payment and performance bonds, as the Condominium Board or its managing agent may reasonably require in the case of Alterations in excess of \$5,000,000 in any one instance;
- (iv) in compliance with the Condominium Documents (including, without limitation, the provisions thereof regarding the removal of mechanics' liens and violations), the Restrictions Instrument (to the extent applicable to such Alteration and such Non-Residential Unit), all

Laws (including, without limitation, those regarding licensing of contractors), and all Insurance Requirements;

(v) in a manner so as to maintain Project Standards; and in a manner which will not unreasonably interfere with, or cause any labor disturbances or stoppages in, the work of employees of the Condominium, any Unit Owner, the Boards, any Occupants or Permittees of any of the foregoing or any other contractors or subcontractors employed in the Building;

(vi) using commercially reasonable efforts to minimize the extent and duration of any adverse effect of such performance on any other portion of the Building (or the use, occupancy or operation thereof);

(vii) diligently to completion;

(viii) in accordance with all safety measures as may be reasonably required by the Condominium Board and/or its managing agent to protect the other Unit Owners and the Property from injury or damage caused by or resulting from the performance of the Alterations by such Person; and

(ix) to the extent access to all or any portion of the General Common Elements, a Residential Section or a Non-Residential Area will be required, in compliance with the Access Conduct Standards.

(b) If a Unit Owner, Residential Board or Sub-Board is performing Alterations, the other Unit Owners and Boards shall cooperate in all reasonable respects to locate appropriate staging areas for materials and equipment. The Unit Owner, Residential Board or Sub-Board performing the Alterations shall keep all affected areas outside its Unit, Non-Residential Area or Residential Section (e.g., the staging areas or adjacent sidewalks) or visible to the public in a clean, secure, safe and sightly manner. Promptly following completion of such Alterations, the Unit Owner, Residential Board or Sub-Board performing the Alterations shall restore any areas affected including those areas used as a staging area to a condition equal to or better than that existing prior to the commencement of such Alterations. Any damage to the Property resulting from the performance of any Alterations shall be promptly repaired by the Unit Owner, Residential Board or Sub-Board performing such Alterations at such Unit Owner's or Board's expense and to a condition equal to or better than that existing prior to the occurrence of the damage.

(c) None of the Condominium Board, any Residential Board or Sub-Board, their respective managing agents, or any Unit Owner (other than the Unit Owner, Residential Board or Sub-Board making any Alterations in or to its Unit and/or appurtenant Limited Common Elements, as the case may be) shall incur any liability, cost or expense: (i) in connection with the preparation, execution or submission by the proponent of the Alterations in question of any applications to any Governmental Authorities; (ii) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made by the proponent of the Alterations in question; (iii) to any person or entity asserting any claim for personal injury or property damage arising from any Alterations made by the proponent of the Alterations in question; or (iv) arising out of the failure by the proponent of the Alterations in question to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these By-Laws, any applicable Rules and Regulations, the Restrictions Instrument (to the extent applicable to such Unit, Limited Common Element or Alteration) and the provisions of any Laws or Insurance Requirements insofar as they relate to Alterations. A Unit Owner, Residential Board or Sub-Board making any Alteration or performing any other work described in this Section 8.1 (or pursuant to Articles 9 and 10 of the Declaration) shall indemnify and hold the Boards, their managing agents and all other Unit Owners

harmless from and against all Costs resulting from, arising out of, or in any way connected with, any of the foregoing.

8.1.5 Governmental Applications. Any application to any department of The City of New York or to any other Governmental Authority having jurisdiction for a permit to make a permitted Alteration in or to any Unit or Limited Common Element shall, if required by applicable Laws or such department or Governmental Authority, be executed by the Condominium Board, to the extent such execution is necessary, provided that the Condominium Board shall not thereby incur any liability, cost or expense in contravention of Section 8.1.4 above. Nothing herein shall limit or restrict any Unit Owner or Residential Board from signing, submitting and filing any such application which it is otherwise entitled to do hereunder.

8.1.6 Disputes. In the event there is Arbitration between any Unit Owner or Board, and another Unit Owner or Board, regarding any Alteration (including, without limitation, the determination of whether any work constitutes an Alteration subject to the approval of the applicable Person), such Alteration (excluding any component thereof that such Arbitration does not relate to) shall not be performed pending resolution of such Arbitration.

8.2 Alterations to Residential Units. The provisions set forth above in Section 8.1 shall, to the extent therein provided, apply to Alterations in or to the Residential Sections; however, unless otherwise provided in the applicable Residential By-Laws, each Residential Board shall have the exclusive right to make Alterations to the Residential Limited Common Elements within its Residential Section. In addition, subject in all events to Section 19.4 hereof, Alterations to the Residential Units, the Residential Limited Common Elements and/or Exclusive Use General Common Elements of a Residential Section shall be further subject to such additional terms, conditions and requirements as may be contained in the applicable Residential By-Laws from time to time or as shall be imposed by the applicable Residential Board (including, without limitation, requiring that any approvals or consents required or permitted to be obtained by a Residential Unit Owner from the Condominium Board or a Non-Residential Unit Owner be obtained by the Residential Board on the Residential Unit Owner's behalf). In addition, to the extent access to the General Common Elements or a Non-Residential Area or another Residential Unit or Section will be required in connection with any such Alteration by a Residential Unit Owner, the same shall be in compliance with the Access Conduct Standards.

8.3 Alterations to Exclusive Use General Common Elements. Subject to Section 6.2.2(d) and 8.1 of the By-Laws, the last sentence of this Section 8.3, Article 15 of the Declaration, and with the consent of the Condominium Board in all instances, the Person(s) having the sole exclusive use of or shared or joint exclusive use of an Exclusive Use General Common Element (as provided in Article 15 of the Declaration) shall have the right to perform Alterations thereto. However, notwithstanding anything in Section 6.2.2(d) to the contrary, in addition to the costs set forth in such Section, the applicable Unit Owner(s) or Board performing any such Alteration shall thereafter be responsible for the entire cost of all structural or extraordinary Repairs of or Alterations to the Altered portion of such Exclusive Use General Common Element. Notwithstanding the foregoing, the Time Warner Unit Owner shall not have any right to make any Alterations to the Time Warner Loading Dock Area.

8.4 Alterations to (Other) General Common Elements.

8.4.1 Cost and Approval. Alterations in or to any General Common Element (other than Exclusive Use General Common Elements) may be made only by the Condominium Board, authorized in accordance with the provisions hereof (including Article 2 and Section 8.4.3) and the cost thereof shall be charged to the General Common Charge Obligor in accordance with Article 6 hereof.

8.4.2 Without Consent of Affected Unit Owner(s) or Board(s). Notwithstanding any other provision of the Condominium Documents, to the extent that any Alteration (including Repair) of the General Common Elements is necessary to comply with Laws or Insurance Requirements, or for the health or safety (but not the general comfort or welfare) of the Unit Owners or their Occupants or Permittees or in the case of an Emergency, the Condominium Board may make and perform the same without the consent of any Unit Owner(s), Residential Board(s) or Sub-Board(s) that would, or whose Unit(s) or Limited Common Elements would, be affected thereby.

8.4.3 Additional Requirements. The provisions of Sections 8.1.1(a), 8.1.1(c), 8.1.1(d), 8.1.2, 8.1.3 and 8.1.4 hereof shall apply to Alterations performed by the Condominium Board, provided that clauses (i) and (ii)(z) of Section 8.1.4(a) shall not apply with respect to Alterations performed by the Condominium Board pursuant to Section 8.4.2 above.

8.5 Signage Guidelines; Windows; Building Prow.

(a) No Unit Owner and no Board may install, inscribe or expose any sign, notice, advertisement or illumination, illustration, art work, poster, logo, etc. (collectively, "Signage") either on or at any exterior facade window of the Building, or on the exterior of the Building, unless same complies with the Signage Guidelines and, if applicable, the Building Prow Guidelines. In the event of any inconsistency between any specific provision of the Declaration or By-Laws on the one hand, and the Signage Guidelines on the other, the provisions of the Declaration and By-Laws shall in all events govern.

(b) Consistent with the provisions of paragraph (c) below, notwithstanding any provision of the Declaration or these By-Laws to the contrary, the prior written approval of: (i) the Condominium Board; (ii) each Non-Residential Unit Owner owning individually more than 350,000 gross square feet of space in the Building (including, for these purposes, appurtenant Limited Common Element space); and (iii) the Retail Unit Owner shall be required to amend the Signage Guidelines. In addition, the prior written approval of the applicable Residential Board or Non-Residential Unit Owner shall be required for any amendment to the Signage Guidelines relating to any of the portions of the Building described in clause (ii) of Section 8.1.1(d) above, and the prior written approval of the Performing Arts Unit Owner shall be required for any amendment to the Signage Guidelines with respect to signage in or on any of the areas referred to in Section 8.1.1(f) above.

(c) The interior and exterior glass surfaces of all windows located in any Unit facing the exterior of the Building shall not be colored, painted or tinted (e.g., for sun shading). The foregoing restriction shall not apply to: (i) coloring, painting, tinting or illuminating such surfaces by the Retail Unit Owner; or (ii) the monochromatic darkening of the windows in the newsroom or the broadcasting studio(s) within the Time Warner Unit by the Time Warner Unit Owner, by applying an interior film or gel to such windows, if, in connection with broadcasting transmissions from such studio(s), darkening of the windows is required or preferred; provided in either case that such coloring, painting, tinting, illuminating or darkening complies with the Restrictions Instrument and the Project Standards and is consistent with the overall design of the Building. To promote a consistent appearance of the Building from outside, unless the Condominium Board shall determine otherwise by Majority Member Vote, each Unit Owner (other than the Retail Unit Owner and the Time Warner Unit Owner (with respect to the windows in the newsroom or its broadcasting studio(s)) as set forth in the immediately preceding sentence, the Performing Arts Unit Owner with respect to the main front window of the Allen Room, and the owner of the Building Prow with respect thereto), will be required to install and maintain window treatments having a neutral colored backing on the sides facing the windows in its Area which face the exterior of the Building.

(d) The Time Warner Unit Owner, for so long as it owns the Building Prow, shall have the right to determine (in its sole discretion) any interior display, signage, content or feature to be installed or contained in the Building Prow, provided that (1) such Unit Owner complies with the City Agreements and (2) any such display, signage, content, feature or installation comports with the design, display and approval requirements contained in the "Building Prow Guidelines" annexed hereto as Exhibit 8.5(d), including, without limitation, the approval rights of the Retail Unit Owner and Hotel Unit Owner as and to the extent such rights are provided in the Building Prow Guidelines. Subject to the Building Prow Guidelines, for so long as it owns the Building Prow, the Time Warner Unit Owner shall have the right to determine (in its sole discretion) the manner in which such interior display is installed (unless such installation will adversely affect the structure or curtainwall of the Building or otherwise constitute an Alteration requiring the consent of the Condominium Board, in which event the provisions of Article 8 shall apply with respect to such installation). Notwithstanding any other provision of the Condominium Documents with respect to Amendments or otherwise, but subject to the City Agreements, for so long as the Building Prow Guidelines shall remain in effect, the Time Warner Unit Owner and Retail Unit Owner shall, by mutual written agreement and upon notice to the Condominium Board, be entitled to amend the Building Prow Guidelines from time to time without the consent of the Condominium Board, any Unit Owner or any other Person (except that no such Amendment shall be effective with respect to the Hotel Prow Restrictions without the written approval of the Hotel Unit Owner). In the event the Retail Unit Owner (or any other Person) shall acquire the Building Prow, then notwithstanding any provision in the Condominium Documents to the contrary, from and after such acquisition, the Retail Unit Owner (or such other Person) shall have (and the Time Warner Unit Owner shall not have) all of the rights (subject to all of the obligations) that the Time Warner Unit Owner, for so long as it owns the Building Prow, has under the foregoing provisions of this Section 8.5(d), provided that the Building Prow Guidelines shall no longer apply (other than the Hotel Prow Restrictions, which shall apply no matter who owns the Building Prow). The provisions of this Section 8.5(d), and the rights granted to the owner of the Building Prow in this Section 8.5(d), are in all events subject to the provisions of Section 8.5(a) above and Article 20 below.

ARTICLE 9

SUBDIVISION AND COMBINATION OF UNITS

9.1 Subdivision and Combination of Residential Units. Declarant, until it distributes the Residential Units to the Initial Residential Grantee, and, thereafter, the Initial Residential Grantee (and not Declarant), shall have the right pursuant (and subject) to the terms of the Declaration and these By-Laws, without the approval of the Condominium Board, the Residential Boards or any other Unit Owner, to subdivide and/or combine any one or more of the Unsold Residential Units. Each other Residential Unit Owner shall have the right pursuant (and subject) to the terms of the Declaration, these By-Laws and any additional requirements contained in the applicable Residential By-Laws, to subdivide and/or combine its Residential Unit(s).

9.2 Subdivision and Combination of Non-Residential Units.

9.2.1 Subdivisions. Each Non-Residential Unit Owner may (as a "Subdividing Unit Owner"), without the consent of any Board or other Unit Owner, pursuant (and subject) to the terms of the Declaration and these By-Laws, subdivide its Non-Residential Unit into any desired number of Non-Residential or (subject to Sections 3.2, 9.4 and 10.4 of the Declaration) Residential Units (each, a "Subdivided Unit"; and the Unit Owner thereof, a "Subdivided Unit Owner"), provided that:

(a) any physical work performed in connection with such subdivision shall in all other respects be considered an "Alteration" subject to the provisions of Article 8 of these By-Laws;

(b) only one (1) Subdivided Unit Owner, as designated in the amendment to the Declaration described in Section 9.2.1(c) (the "Designated Subdivided Unit Owner") shall have the same approval and other rights (of any type) that the Unit Owner of the Non-Residential Unit being subdivided had under the provisions hereof and of the Declaration prior to such subdivision; provided, however, that (1) a different Designated Subdivided Unit Owner may be designated with respect to each such approval and other right; (2) if no such designation is made in such amendment, the Unit Owner of the largest Subdivided Unit resulting from the subdivision in question shall be deemed to be the Designated Subdivided Unit Owner with respect to all such approval and other rights; and (3) each Subdivided Unit Owner shall have all Inherent Rights (as defined below) with respect to its Unit (to the extent it satisfies any applicable requirement or condition with respect to any such right). As used herein, an "Inherent Right" means an approval or other right hereunder or under the Declaration that inures to the benefit of all Unit Owners, or to the benefit of all Unit Owners that satisfy a particular requirement or condition. By way of illustration, (A) the approval right set forth in Section 8.1.1(d) hereof is an Inherent Right because it applies to any Unit Owner whose Unit or rights are adversely affected as described in said Section 8.1.1(d), (B) the approval right set forth in Section 8.1.1(c) hereof is also an Inherent Right because it applies to any Unit Owner that satisfies the requirement that it own more than 350,000 gross square feet of space in the Building, (C) the rights with respect to the PAU Dish set forth in Section 15.9.6 of the Declaration are not Inherent Rights because they are only for the benefit of the Performing Arts Unit Owner and (D) the approval right set forth in Section 8.1.1(g) hereof is not an Inherent Right because it is only for the benefit of the Retail Unit Owner.

(c) any such Subdivided Units shall, subject to Article 17 hereof, be described in an amendment to the Declaration (which shall include, if necessary, an amendment to these By-Laws) made by the Subdividing Unit Owner, which amendment shall expressly provide that the resulting Subdivided Units are subjected to all terms and conditions of the Declaration and these By-Laws, including, without limitation, the obligations in respect of the payment of General Common Charges;

(d) except as otherwise provided in Section 9.3 below, the Common Interest of any Unit owned by any other Unit Owner (*i.e.*, other than the Subdividing Unit Owner) shall not be changed by reason thereof, unless the owner(s) of such other Unit(s) shall consent thereto;

(e) all of the Subdivided Units created from time to time out of a Non-Residential Unit shall upon the subdivision of such Non-Residential Unit have, in the aggregate, the same Common Interest appurtenant to them as was appurtenant to the Non-Residential Unit from which they were subdivided; and

(f) the General Common Charges attributable to a Non-Residential Unit which has been subdivided shall be allocated by the Subdividing Unit Owner among the Subdivided Units on a Cost Control Category by Cost Control Category basis using the same methodology for the allocation of costs within each such Cost Control Category (*e.g.*, gross square footage, actual usage, etc.) as is set forth in Exhibit 2 annexed hereto (or, with respect to the "Central Plant" Cost Control Category, in a manner which is not substantially disproportionate to the anticipated benefits to be derived by the respective Subdivided Units from usage of the "Central Plant" facilities and systems), which manner(s) and initial allocation(s) (by percentage) shall be specified in the amendment(s) to the Declaration and By-Laws (including, as necessary, such Exhibit 2) effecting such subdivision; except that if, notwithstanding the presumption that such allocation would most accurately apportion to each of the Subdivided Units the General Common Expenses incurred by the Condominium Board with respect to such Units, such

methodology/ies would result in a substantially disproportionate (in the context of benefits or services received) apportionment of General Common Charges among such Units, the Condominium Board may, by a Common Interest Vote of 66-²/₃%, approve such other methodology/ies proposed by the Subdividing Unit Owner in respect of such apportionment(s). The allocation among the Subdivided Units of the Budget Interests attributable to a Non-Residential Unit which has been subdivided shall be consistent with the allocation of General Common Charges that is made pursuant to the preceding sentence.

9.2.2 Combinations. Each Non-Residential Unit Owner may (as a "Combining Unit Owner"), without the consent of any other Person, pursuant (and subject) to the terms of the Declaration and these By-Laws, legally (whether or not physically) combine one or more Non-Residential Unit(s) (each, a "Component Unit"; the Unit resulting from such combination in each instance, the "Combined Unit"; and the Unit Owner thereof, a "Combined Unit Owner") owned by it, provided that:

(a) any physical work performed in connection with such combination shall in all other respects be considered an "Alteration" subject to the provisions of Article 8 of these By-Laws;

(b) unless converted to Residential Units pursuant to Section 3.2 of the Declaration, the Combined Unit shall be deemed to be a Non-Residential Unit;

(c) the Combined Unit shall, subject to Article 17 hereof, be described in an amendment to the Declaration (which shall include, if necessary, an amendment to these By-Laws) made by the Combining Unit Owner, which amendment shall expressly provide that the resulting Combined Unit is subjected to all terms and conditions of the Declaration and these By-Laws, including, without limitation, the obligations in respect of the payment of General Common Charges;

(d) except as otherwise provided in Section 9.3 below, the Common Interest of any Unit owned by any other Unit Owner (*i.e.*, other than the Combining Unit Owner) shall not be changed by reason thereof, unless the owner(s) of such other Unit(s) shall consent thereto;

(e) the Combined Unit shall have appurtenant to it the aggregate Common Interest and Budget Interests appurtenant to, and shall have allocated to it the aggregate General Common Charges allocated to, each of its Component Units, which combined Common Interest and Budget Interests and (as may be appropriate) combined allocation of General Common Charges shall be specified in the amendment(s) to the Condominium Documents effecting such combination; and

(f) the Combined Unit Owner shall have all approval and other rights that each Combining Unit Owner had hereunder and under the Declaration prior to such combination (after taking into account the implementation of Section 9.2.1(b) hereof with respect to any Component Unit that was a Subdivided Unit).

9.3 Voting Following a Subdivision or Combination.

9.3.1 Condominium Board Meetings

(a) Except as otherwise set forth in this Section 9.3.1 or elsewhere in the Condominium Documents, the Unit Owners of all of the Subdivided Units created or subdivided from time to time from an Original Non-Residential Unit shall have the right (collectively) to designate a single Condominium Board Member, who (if otherwise eligible to vote) shall (subject to Section 2.9.1(b) hereof) vote the entire Common Interest or Budget Interest, as the case may be, attributable to all such Subdivided Units in the aggregate, which designation shall be made in writing to the Condominium Board (subject to Section 2.3.2 of these By-Laws); provided, however, that with respect to Subdivided

Units that are Residential Units, the Designator which appoints the single Condominium Board Member shall be either the "sponsor" of such Residential Units or the Residential Board, whichever is applicable in accordance with the provisions hereof and of the Declaration.

(b) In addition to the rights of Unit Owners of Subdivided Units set forth in Section 9.3.1(a) above, the Unit Owner of each Subdivided (Non-Residential) Unit or Combined (Non-Residential) Unit (or the Unit Owner(s) of two or more Combined or Subdivided (Non-Residential) Units) having an aggregate size greater than 100,000 gross square feet shall have the right, as a separate "Designator," to designate its (or their, as the case may be) own Condominium Board Member who (if otherwise eligible to vote) shall (subject to Section 2.9.1(b) hereof) vote the entire Common Interest or Budget Interest, as the case may be, attributable to such Non-Residential Unit(s).

(c) At any time that (and only for so long as) one or more Non-Residential Unit Owners own, collectively, two or more Non-Residential Units (whether any of such Units is an Original Non-Residential Unit, a Subdivided Unit formerly constituting part of any other Non-Residential Unit, or otherwise), upon written notice of such election to the Condominium Board by the Unit Owner(s) in question: (i) if the Unit Owner(s) of such Non-Residential Units is/are, on its/their own, entitled to designate one or more Board Members (whether pursuant to the terms of paragraph (a) or (b) above or of Section 2.3 hereof), such Unit Owners shall, upon making such election, be entitled to designate (only) one Condominium Board Member who (if otherwise eligible to vote) shall (subject to Section 2.9.1(b) hereof) vote the entire Common Interest or Budget Interest, as the case may be, attributable to all such electing Non-Residential Units in the aggregate, which designation shall be made in writing to the Condominium Board (subject to Section 2.3.2 of these By-Laws); and such Non-Residential Unit Owner(s) shall be or constitute jointly, as the case may be, the "Designator" of such Board Member; or (ii) if the Unit Owner(s) of such Non-Residential Units is/are not entitled on its/their own to designate one or more Board Members (either pursuant to the terms of paragraph (a) or (b) above or of Section 2.3 hereof), such Unit Owner(s) may, upon making such election, aggregate its/their Common Interest and Budget Interest as part of a previously existing Designator (and thereupon be deemed to constitute part of only such individual Designator), which Designator shall continue to designate its one Condominium Board Member who (if otherwise eligible to vote) shall (subject to Section 2.9.1(b) hereof) vote the entire increased Common Interest or Budget Interest, as the case may be, attributable in the aggregate to the Non-Residential Units which upon such aggregation shall constitute such Board Member's Designator.

(d) In the event that immediately prior to the combination by a Non-Residential Unit Owner of two or more Component Units to form a Combined Unit, such Non-Residential Unit Owner in its capacity as the Unit Owner of such Units is (or is deemed, as part of one or more separate Designators, to be) entitled to designate one or more Board Members (either pursuant to the terms of paragraph (b) above or otherwise), such Unit Owner shall, upon effecting such combination, aggregate the Common Interest and Budget Interest of the Component Units as or as part of only one of such several Designators (and thereupon be deemed to be, or constitute part of, only such individual Designator), which single Designator shall continue to designate its one Condominium Board Member who (if otherwise eligible to vote) shall vote the entire increased Common Interest or Budget Interest, as the case may be, attributable in the aggregate to the Combined Unit (and any other Non-Residential Units the owner(s) of which are deemed to constitute part of the same Designator).

(e) The purpose and intent of the foregoing provisions and Section 9.4.4 hereof is, *inter alia*, to provide for each Unit Owner to be represented on the Condominium Board either directly or indirectly by a Condominium Board Member designated by a Designator which has or represents the Common Interest and/or Budget Interest of such Unit Owner. Under no circumstances shall any Unit Owner participate, directly or indirectly, on the Condominium Board by two separate Designators representing such single Unit Owner with respect to the same Unit; or by a single Designator

voting such Unit Owner's Common Interest or Budget Interest more than once; or as part of or through any Designator to the extent such Unit Owner's Unit is part of a Sub-Group which is represented on the Condominium Board, directly or indirectly, through another Designator.

9.3.2 Voting at Unit Owners Meetings. At all Unit Owners Meetings, each Subdivided Unit Owner (or its proxy) and each Combined Unit Owner (or its proxy) entitled to vote thereat shall be entitled to vote for the Common Interest attributable to its Subdivided Unit(s) or Combined Unit(s), as the case may be, as set forth in Article 3 of these By-Laws.

9.4 Amendment to the Declaration.

9.4.1 The amendment to the Declaration to be made by the Subdividing Unit Owner or Combining Unit Owner shall contain new or amended Floor Plans, specifications, tax lot numbers, the (re)apportionment among or to the Subdivided Units or Combined Unit, as the case may be, of their or its Component Units', as the case may be, Common Interest in compliance with the New York Condominium Act and the other matters set forth in this Article 9 above; as appropriate, the allocation or aggregation to newly constituted Subdivided Units or Combined Unit(s) of the right to use, and responsibility for maintenance, repairs and decoration of, any Exclusive Use General Common Elements of such Subdividing Unit Owner's Unit or Combining Unit Owner's Unit, as the case may be, and any previously existing Limited Common Elements appurtenant to the Non-Residential Unit(s) subdivided or combined (but only to the extent that such Limited Common Elements are not required to be maintained as Limited Common Elements for the shared use of any Units pursuant to any applicable Laws); and, as applicable, the designation of part of a Non-Residential Unit being subdivided as a newly created specially designated common area appurtenant to one or more of any newly constituted Subdivided Units. The Subdividing Unit Owner or Combining Unit Owner, as the case may be, shall have the right to approve and execute the amendment to the Declaration (as set forth in Article 17 hereof), and shall in any event duly certify and file such amendment in accordance with all applicable Laws and promptly deliver a copy of the filed amendment to the Condominium Board.

9.4.2 In the event of a subdivision or combination of Residential Units, pursuant to Section 9.1 and any other applicable provisions of the Condominium Documents, the Residential Unit Owner(s) effecting such subdivision or combination shall have the rights, at the option of the Condominium Board to be exercised by the applicable Residential Board on behalf of and as agent for such individual Residential Unit Owner(s) (except in the case of the Initial Residential Grantee), set forth in Section 9.4.1 above.

9.4.3 In the event that in any one transaction, or in separate actions that are intended to constitute one and the same transaction, any Unit is subdivided and then one or more of the Units resulting from such subdivision is/are combined with one or more other Units (as permitted in this Article 9), the Unit Owner(s) in question may jointly act to amend the Declaration as hereinabove provided in one amendment and shall not be required to effect separate amendments in furtherance of such single transaction.

9.4.4 Sub-Groups/Sub-Boards/Sub-By-Laws. At the option of two (2) or more Non-Residential Units and/or Residential Boards, by not less than fifteen (15) days written notice to the Condominium Board, which written notice must include a copy of the applicable Sub-By-Laws and Sub-Rules and Regulations, the applicable Non-Residential Units and/or Residential Sections (together with the Limited Common Elements appurtenant thereto, a "Sub-Group") shall be governed by a board of managers (in each case, a "Sub-Board") pursuant to a set of by-laws (in each case, "Sub-By-Laws") setting forth the rights and obligations of each of the Non-Residential Unit Owners and Residential Boards with respect to its Unit or Residential Section and the Condominium, including such provisions

and matters for the governance of the Sub-Group (as a discrete group within itself) as such Non-Residential Unit Owners and Residential Boards deem necessary and appropriate, to the extent permitted by applicable Laws, including, without limitation, designating the Sub-Board as the single Designator for all affected Non-Residential Units and Residential Boards, provisions for the imposition and collection of "Sub-Group Common Charges" from the affected Unit Owners and Residential Boards for the payment of expenses borne in common by such Persons, and any other matters required in accordance with these By-Laws, the New York Condominium Act or other Laws. Subject to the terms of the Declaration and these Condominium By-Laws, each such Sub-Board shall (subject to the terms of the applicable Sub-By-Laws) be entitled to make determinations with respect to matters relating to the operation, care, upkeep, maintenance and administration of the affairs of its Sub-Group, including, without limitation, the making of Repairs of, and performance of Alterations to, its Sub-Group (as if each reference in the Condominium Documents to an applicable Non-Residential Unit Owner or Residential Board with respect to such matters shall have been a reference to the applicable Sub-Board) as limited by and subject to the applicable provisions of the Declaration and these By-Laws; provided, however, that at all times (x) the rights of the Condominium Board, the Residential Boards, any other Sub-Boards, and all Unit Owners with respect to each applicable Unit Owner and Residential Board shall remain unaffected (to more than a *de minimis* extent) by the Sub-By-Laws in question, (y) a default, breach or Event of Default by the Sub-Board hereunder or under the Declaration shall be deemed for all purposes to be a default, breach or Event of Default by each Non-Residential Unit Owner and Residential Board constituting the applicable Sub-Group and (z) each such Non-Residential Unit Owner and Residential Board shall remain a General Common Charge Obligor. To the extent any Unit is included as part of a Sub-Group which is, or is deemed included as part of, a Designator, the provisions of paragraphs (b) and (c) of Section 9.3.1 above shall not apply with respect to such Unit. The applicable Sub-Board shall give the Condominium Board not less than fifteen (15) days written notice of any proposed amendment to any Sub-By-Laws before such amendment is adopted.

ARTICLE 10

MECHANIC'S LIENS, VIOLATIONS; COMPLIANCE WITH LAWS AND INSURANCE REQUIREMENTS; HAZARDOUS MATERIALS

10.1 Mechanic's Liens. In the event that any mechanic's lien is filed against any Unit or other portion of the Property as a result of services provided or materials furnished to, or Alterations or Repairs or other work performed for: (a) a Non-Residential Unit Owner (or such Unit Owner's Occupants or Permittees) with respect to all or any portion of its Area or Exclusive Use General Common Elements, or a Residential Unit Owner (or such Unit Owner's Occupants or Permittees) with respect to its Unit, Exclusive Use General Common Elements or any Residential Limited Common Elements over which it exercises exclusive control pursuant to the applicable Residential By-Laws (each such Unit Owner, for purposes of this Section 10.1, being referred to as the "Lien-Causing Unit Owner"); (b) a Residential Board (or its managing agent or such Board's Occupant's or Permittees) with respect to the Residential Limited Common Elements of its Residential Section (other than those over which one or more Residential Unit Owners exercises exclusive control pursuant to the applicable Residential By-Laws), its Residential Section's Exclusive Use General Common Elements, or any Residential Unit owned by such Residential Board or its designee; (c) a Sub-Board (or its managing agent or such Board's Occupants or Permittees) with respect to its appurtenant Limited Common Elements, its appurtenant Exclusive Use General Common Elements or any Unit within such Sub-Board's Sub-Group; or (d) the Condominium Board (or its managing agent or such Board's Occupants or Permittees) with respect to the General Common Elements (other than Exclusive Use General Common Elements) or any Unit owned by the Condominium Board or its designee (in each such case (b), (c) and (d), for purposes of this Section, such

Board being referred to as the "Lien-Causing Board"), or alleged to have been provided or furnished to, or performed for, any such Lien-Causing Unit Owner or Lien-Causing Board, as the case may be, then such Lien-Causing Unit Owner or Lien-Causing Board shall promptly notify the Condominium's managing agent (or, if there is no managing agent, the Condominium Board) of same, and shall cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting a bond or other security as shall be required by law to obtain such release and discharge, in each case within sixty (60) days after receiving from a Residential Board or Unit Owner whose Unit (and/or Limited Common Element or Exclusive Use General Common Element) has been adversely affected by such mechanic's lien, or from the Condominium Board if any General Common Elements have been adversely affected by such mechanic's lien, a notice (a "Lien Notice") identifying the lien and requesting that the same be released or discharged, failing which: (y) the Condominium Board (in the case of a Lien-Causing Unit Owner or a Residential Board that is a Lien-Causing Board), or (z) each of the Unit Owners and Residential Boards (if the Condominium Board is the Lien-Causing Board), shall have the rights set forth in Section 13.1.1(e) of these By-Laws. For purposes of this Section 10.1, a Residential Board or Unit Owner shall be deemed to be "adversely affected" by a mechanic's lien (which is the responsibility of a Lien-Causing Unit Owner or Lien-Causing Board to remove, as aforesaid) if: (i) in the case of a Residential Board that is affected, any of the Residential Units within its Residential Section, any Limited Common Elements within such Board's Residential Section or an Exclusive Use General Common Element of such Residential Section; or (ii) in the case of a Unit Owner that is affected, such Unit Owner's Unit, Limited Common Elements or Exclusive Use General Common Elements, in each case, is/are reasonably purportedly (whether or not actually) encumbered by or subjected to the mechanic's lien (provided such mechanic's lien arises from services provided or materials furnished to, or Alterations or Repairs or other work performed for or alleged to have been provided or furnished to, or performed for, the Lien-Causing Unit Owner or the Lien-Causing Board, and not by, to or for the putatively 'adversely affected' Unit Owner or Residential Board or its/their Occupants or Permittees). In all events, the Lien-Causing Unit Owner or Board shall defend, protect, indemnify and hold harmless all other Unit Owners and Boards (and their Occupants) from and against any and all Costs arising out of or resulting from the applicable mechanic's lien. Copies of all Lien Notices sent by a Residential Board or Unit Owner shall be simultaneously sent to the Condominium Board.

10.2 Violations. In the event that any violation shall be noted or noticed against any Unit or other portion of the Property as a result of any condition at the Property created or suffered by or existing with respect to: (a) a Non-Residential Unit Owner (or such Unit Owner's Occupants or Permittees) with respect to all or any portion of its Area or Exclusive Use General Common Elements, or a Residential Unit Owner (or such Unit Owner's Occupants or Permittees) with respect to its Exclusive Use General Common Elements or any Residential Limited Common Elements over which it exercises exclusive control pursuant to the applicable Residential By-Laws (each such Unit Owner, for purposes of this Section 10.2, being referred to as the "Violation-Causing Unit Owner"); (b) a Residential Board (or its managing agent or such Board's Occupants or Permittees) with respect to the Residential Limited Common Elements of its Residential Section (other than those over which one or more Residential Unit Owners exercises exclusive control pursuant to the applicable Residential By-Laws), its Residential Section's Exclusive Use General Common Elements, or any Residential Unit owned by such Residential Board or its designee; (c) a Sub-Board (or its managing agent or such Board's Occupants or Permittees) with respect to its appurtenant Limited Common Elements, its appurtenant Exclusive Use General Common Elements or any Unit within such Sub-Board's Sub-Group; or (d) the Condominium Board (or its managing agent or such Board's Occupants or Permittees) with respect to the General Common Elements (other than Exclusive Use General Common Elements) or any Unit owned by the Condominium Board or its designee (in each such case (b), (c) and (d), for purposes of this Section, such Board being referred to as the "Violation-Causing Board"), the Violation-Causing Unit Owner or the Violation-Causing Board, as the case may be, shall promptly notify the Condominium's managing agent (or, if there

is no managing agent, the Condominium Board) of same, and shall cause the violation to be removed and the condition giving rise to the violation to be cured, in each case within sixty (60) days after receiving, from a Residential Board or Unit Owner whose Unit, Limited Common Element or Exclusive Use General Common Element has been adversely affected by such violation, or from the Condominium Board if any General Common Elements have been adversely affected by such violation, a notice (a "Violations Notice") identifying the violation and requesting that the same be removed and the condition giving rise to it be cured (provided that if such violation cannot, notwithstanding diligent efforts, be removed and/or such condition cured within such sixty (60) day period, the Violation-Causing Unit Owner or the Violation Causing Board, as the case may be, commences the removal of such violation and/or the curing of such condition as promptly as practicable within such sixty (60) day period and thereafter proceeds with diligence and continuity to complete such removal and/or cure); failing which: (y) the Condominium Board (in the case of a Violation-Causing Unit Owner or a Residential Board that is a Violation-Causing Board), or (z) each of the Unit Owners and Residential Boards (if the Condominium Board is the Violation-Causing Board), shall have the rights set forth in Sections 13.1.1(e) and 13.4 of these By-Laws. For purposes of this Section 10.2, a Residential Board or Unit Owner shall be deemed to be "adversely affected" by a violation or condition giving rise to a violation (which is the responsibility of a Violation-Causing Unit Owner or Violation-Causing Board to remove or cure, as aforesaid) if: (i) in the case of a Residential Board that is affected, any of the Limited Common Elements within such Board's Residential Section or an Exclusive Use General Common Element of such Residential Section; or (ii) in the case of a Unit Owner that is affected, any of such Unit Owner's Unit, appurtenant Limited Common Elements or Exclusive Use General Common Elements, in each case, is/are reasonably purportedly (whether or not actually) subjected to the violation or the violation is noted against same (provided such violation arises from a condition at the Property created or suffered by the Violation-Causing Unit Owner or the Violation-Causing Board, and not by the putatively 'adversely affected' Unit Owner or Residential Board or its/their Occupants or Permittees). In all events, the contesting Unit Owner or Board shall defend, protect, indemnify and hold harmless all other Unit Owners and Boards (and their Occupants) from and against any and all Costs arising out of or resulting from any proceeding undertaken pursuant to this Section 10.3 or the underlying violation or non-compliance related thereto. Copies of all Violations Notices sent by a Residential Board or Unit Owner shall be simultaneously sent to the Condominium Board.

10.3 Compliance With Laws, Insurance Requirements. Each Unit Owner and Residential Board, and the Condominium Board, without cost or expense to the other Unit Owner(s) and Boards (except that costs and expenses incurred by the Condominium Board pursuant to this sentence are General Common Expenses), shall promptly comply and/or cause its Occupants or Permittees to comply with all Laws and Insurance Requirements applicable to such Unit Owner's or Board's Unit, Limited Common Elements, Exclusive Use General Common Elements or other General Common Elements, as applicable; provided, however, that each Unit Owner and Residential Board, and the Condominium Board, shall have the right to contest, by appropriate legal or administrative proceedings diligently conducted in good faith, the validity or applicability to it of any such Law and Insurance Requirement and may delay compliance until a final decision has been rendered in such proceedings and appeal is no longer possible, unless such delay is reasonably likely to (1) render the other Unit(s) or any portion of any of the Common Elements liable to forfeiture, involuntary sale or loss, (2) result in involuntary closing of any business conducted thereon or therein, (3) subject another Unit Owner, Residential Board or the Condominium Board to potential or real civil or criminal liability, (4) impair or prohibit any insurance required to be maintained hereunder or under any of the other Condominium Documents, or (5) subject any other Unit, Limited Common Element or the General Common Elements to any lien or encumbrance, in which case (with respect to any of the foregoing clauses (1)-(5)) the contesting Unit Owner or Board shall immediately take such steps as may be necessary to prevent any of the foregoing, including posting bonds or security for complying with such Law and Insurance Requirement. If such alternate measures shall not be effective to prevent any of the foregoing, then such contesting Person shall comply with the applicable requirements

pending the resolution of any such contest. Each non-contesting Unit Owner and Board shall cooperate to the fullest extent necessary with any contesting Unit Owner or Board in any proceeding undertaken pursuant to this provision, including executing necessary documents or consents to such contest, provided all costs and expenses incurred with respect thereto are paid by the contesting Unit Owner or Board, as the case may be. In all events, the contesting Unit Owner or Board shall defend, protect, indemnify and hold harmless all other Unit Owners and Boards (and their Occupants) from and against any and all Costs arising out of or resulting from any proceeding undertaken pursuant to this Section 10.3 or the underlying violation or non-compliance related thereto.

10.4 Hazardous Materials. No Unit Owner (or its Occupants or Permittees) or Board shall store, use or permit the storage or use of Hazardous Materials on, about, under or in its Unit, Limited Common Element, Exclusive Use General Common Elements or otherwise in or on the Property, except to the extent that such Hazardous Materials are necessarily and customarily used in the ordinary course of usual business operations conducted thereon (in the case of Non-Residential Unit Owners), and any such storage and/or use shall at all times be in compliance with all applicable Environmental Laws. Each Unit Owner and Board shall defend, protect, indemnify and hold harmless the Condominium Board, the Residential Boards, any Sub-Board and each other Unit Owner (and the Occupants of each of the foregoing) from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material stored, used, maintained, released, or otherwise introduced by such Unit Owner or Board (including its Occupants and Permittees) under or in its Unit, Sub-Group portion of the Building, Residential Section, Limited Common Element, General Common Elements, Exclusive Use General Common Elements or otherwise in or on the Property.

ARTICLE 11

RECORDS AND AUDITS

11.1 Records.

11.1.1 The Condominium Board or its managing agent shall keep and maintain the Declaration, these By-Laws, the Residential By-Laws, the Sub-By-Laws, the Residential Rules and Regulations, the Sub-Rules and Regulations, the General Rules and Regulations, if any, and the Floor Plans, as the same may be amended from time to time, and detailed records of the actions of the Condominium Board, minutes of the meetings of the Condominium Board (and any committee thereof), minutes of Unit Owners Meetings, if any (and committees of Unit Owners, if any) and financial records and books of account with respect to the activities of the Condominium Board (the "Records"). All such Records shall be kept at the offices of the Condominium and/or at such other reasonably proximate location(s) in The City of New York as is determined by the Condominium Board from time to time.

11.1.2 The Records maintained by or for the Condominium Board in connection with its obligations pursuant to Article 6 hereof shall include, but not be limited to, disbursements, receipts, cancelled checks, invoices, contracts, maintenance agreements, employee records, Interim Operating Statements and Final Operating Statements, and shall be kept and maintained, to the extent applicable, in accordance with generally accepted accounting principles consistently applied (the "General Common Expense Records"). The Condominium Board shall keep and maintain the General Common Expense Records in respect of each fiscal year for at least six (6) years after the end of such fiscal year. As part of the General Common Expense Records, the Condominium Board shall keep a separate account for each General Common Charge Obligor which, among other things, shall contain the amount of each allocation

and/or assessment of General Common Expenses and other amounts to be paid in respect of each General Common Charge Obligor, the date when due, the amounts paid thereon and the balance, if any remaining unpaid.

11.2 Audits.

11.2.1 Right to Audit. In order to confirm the correctness of any Final Operating Statement, and/or in the event of any dispute with respect to General Common Charges, each General Common Charge Obligor (and their respective authorized representatives) shall have the right, from time to time but not more frequently than three times in any one calendar year or twice with respect to any fiscal year, and upon reasonable notice, to inspect or audit (any such inspection or audit, an "Audit") the applicable Records and General Common Expense Records and to make extracts or copies thereof (including electronic copies of any such Records or General Common Expense Records that are kept in electronic form). Such notice shall specifically designate the year(s) for which such General Common Charge Obligor intends to Audit applicable Records and General Common Expense Records, which year(s) shall be limited to the six (6) full fiscal years immediately preceding the date of such inspection and any then elapsed portion of the then current fiscal year. Any General Common Charge Obligor making or causing to be made any Audit hereunder shall provide the Condominium Board with a copy of any written report of the results of such Audit within forty-five (45) days after the preparation thereof. Subject to Section 11.2.3 below, all costs of such Audit shall be borne by the party making or causing the Audit. In connection with any Audit covering a Final Operating Statement and/or General Common Charges relating to a particular fiscal year, the General Common Charge Obligor making or causing to be made such Audit, and its authorized representatives, shall have the right to inspect the Records and General Common Expense Records relating to all other fiscal years and to make extracts or copies thereof (including electronic copies of any such Records or General Common Expense Records that are kept in electronic form).

11.2.2 Adjustments of Payments; Time Period to Commence Arbitrations Relating to General Common Charges. In the event of any dispute with respect to the correctness of any Final Operating Statement, the accuracy of any General Common Charges or the accuracy of any calculation of Loading Dock Use Percentage, if the Condominium Board and the General Common Charge Obligor in question are unable to resolve such dispute within ninety (90) days after such General Common Charge Obligor shall have requested in writing to the Condominium Board an adjustment in respect of same, subject to Section 6.1.1 hereof, either the Condominium Board or such General Common Charge Obligor may submit such dispute to Arbitration; and unless such Arbitration is commenced by the disputing General Common Charge Obligor within one hundred eighty (180) days after first requesting such adjustment, the dispute will be deemed to have been resolved in favor of the Condominium Board. If such dispute is submitted to Arbitration and resolved in the favor of the disputing General Common Charge Obligor and there is determined to have been an overcharge by the Condominium Board, then the Condominium Board shall promptly reimburse such General Common Charge Obligor (or its authorized representatives) for any overpayment, together with interest thereon from the date paid at the Prime Rate. If such dispute is resolved in the Condominium Board's favor, and there is determined to have been an undercharge, then each General Common Charge Obligor, as appropriate, shall, within thirty (30) days after notice of such determination, pay the Condominium Board the amount of such underpayment together with interest thereon from the date(s) due at the Prime Rate. Upon the resolution (whether or not in Arbitration or otherwise) of any dispute with respect to an Final Operating Statement or particular General Common Charge, a General Common Charge Obligor having previously disputed same shall no longer have the right granted hereunder to dispute the obligation for or the amount of such charges or to otherwise seek any adjustment with respect thereto. Notwithstanding anything set forth in this Section 11.2.2 to the contrary, a General Common Charge Obligor shall not be entitled to any adjustment or credit in its General Common Charges or in respect of an Final Operating Statement to the extent any

overpayment or overcharge is ascertained, directly or indirectly, as a result of the work of any Person retained or employed by or on behalf of such General Common Charge Obligor on a contingency or recovery or similar basis, if such Person's principal business is performing professional services on a contingency or recovery or similar basis.

11.2.3 Expenses. The cost of any Audit performed by or at the request of a General Common Charge Obligor pursuant to Section 11.2.1 above, and all of the Condominium Board's and such General Common Charge Obligor's legal and other professional fees and expenses in connection with a dispute as described in Section 11.2.2 above, shall be borne solely by such General Common Charge Obligor; provided, however that if any such dispute is resolved in favor of the General Common Charge Obligor and it is determined that the Condominium Board's determination of General Common Charges for such General Common Charge Obligor for the fiscal year in question were overstated by more than five percent (5%), the Condominium Board shall pay its own legal and other professional fees and expenses incurred in connection therewith and the cost of any applicable audit performed by or at the request of a General Common Charge Obligor (such costs not to exceed the amount of any such overcharge found).

ARTICLE 12

INSURANCE; CASUALTY; CONDEMNATION

12.1 Condominium Board's Insurance Requirements. Except as otherwise provided below in Section 12.1.7, the Condominium Board shall exercise best efforts to obtain at commercially reasonable rates and maintain the following insurance with respect to the General Common Elements:

12.1.1 Insurance against loss customarily included in so-called "All Risk" or Special Form Perils property insurance, including building collapse and such other insurable hazards as, under good insurance practices from time to time, are insured against for other property and buildings similar to the Building in use, location, height, and type of construction. Such insurance policy shall also insure costs of demolition and increased cost of construction, including, without limitation, increased costs arising out of changes in applicable laws and codes regulating reconstruction following a loss (which insurance for demolition and increased cost of construction shall be in an amount not less than \$20,000,000), insuring the General Common Elements (including the General Common Elements which are underground), and covering the interests of the Condominium, the Boards, all Unit Owners, all Permitted Mortgagees (as a group) and all Registered Mortgagees, as their respective interests may appear. In addition, the "All Risk" property insurance shall also provide flood (including sewer backup) and earthquake (including land subsidence) coverage, which flood and earthquake coverages may contain a sublimit of \$100,000,000 per occurrence and in the annual aggregate. The amount of such "All Risk" insurance shall be not less than one hundred percent (100%) of the aggregate replacement cost value of the General Common Elements (without deduction for depreciation), and such insurance shall include Extra Expense and Expediting Expense coverage in such amounts as the Condominium Board, from time to time, may determine. Each such insurance policy shall contain a removal or waiver of the co-insurance provisions and a replacement cost endorsement. Such coverage shall not include any Unit, or any fixtures, improvements, furnishings or personal property within any Unit.

12.1.2 Workers' Compensation insurance and New York State Disability benefits insurance as required by law and Employer's Liability coverage with limits of not less than \$1,000,000, covering any employees of the Condominium (provided, however, that if the Condominium Board does not have any direct employees, such insurance shall be purchased on an "if any" basis);

12.1.3 Comprehensive Boiler & Machinery coverage on a replacement cost basis in the minimum amount of \$50,000,000 per accident, covering all physical damage to the General Common Elements, and such insurance shall include Extra Expense and Expediting Expense coverage in such amounts as the Condominium Board, from time to time, may determine, and covering the interests of the Condominium, the Boards and all Unit Owners and Registered Mortgagees, as their respective interests may appear. Each such insurance policy shall contain a removal or waiver of the co-insurance provisions and a replacement cost endorsement.

12.1.4 Crime insurance covering the Condominium Board and all officers, directors and employees of the Condominium and of any managing agent(s) of the Condominium with limits of not less than the greater of (a) \$2,000,000 or (b) two (2) months of the then annual General Common Charges paid in the aggregate by all Unit Owners at the time of purchase or renewal of such policy.

12.1.5 Directors' and Officers' Errors and Omissions insurance with respect to the Condominium Board with limits of no less than \$25,000,000.

12.1.6 Commercial General Liability policy of insurance form ISO CG 001 07 98 (which includes water damage insurance), or equivalent liability coverage, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate per location, and an Umbrella Liability policy, including, Cross Liability coverage (if available) covering one insured against another, Owned, Hired and Non-Owned Auto Liability, Notice and Knowledge of Occurrence, Unintentional Errors and Omissions, and Contractual Liability Products and Completed Operations Liability coverage, with limits of not less than \$100,000,000 per occurrence and annual aggregate per location, or in such higher limits as the Condominium Board, from time to time, may determine. The policy or policies described in this subsection shall cover the following entities as follows:

(a) The Condominium Board (and any committees of the Condominium Board), the managing agent(s) of the Condominium, the members of the Condominium Board and each officer and employee of the Condominium shall be the named insured on such Commercial General Liability policy;

(b) Each of the other Boards, together with its respective subsidiaries, affiliates, directors, officers, members, managers, partners, agents, employees, servants and assignees, managing agents and Registered Mortgagees, if any, and such other entities as shall reasonably be requested shall be included as additional insured(s) on a primary basis, except that such policy will not cover the liability of a Board arising from occurrences within or about its own Residential Section (in the case of a Residential Board) or its own Sub-Group (in the case of a Sub-Board) or within or about the Exclusive Use General Common Elements, if any, exclusive to or appurtenant to such Section or Sub-Group; and

(c) Each of the Unit Owners, together with its subsidiaries, affiliates, directors, officers, members, managers, partners, agents, employees, servants and assignees, managing agents and Registered Mortgagees, if any, and such other entities as shall reasonably be requested shall be included as additional insured(s) on a primary basis, except that such policy will not cover the liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Limited Common Elements or the Exclusive Use General Common Elements, if any, exclusive to or appurtenant to its Unit.

12.1.7 The Condominium Board shall, in the exercise of good business judgment and good insurance practices, obtain and maintain terrorism insurance to the extent available at commercially

reasonable rates, covering the General Common Elements, with limits, deductibles and terms as the Condominium Board, from time to time, may determine.

12.1.8 Such other insurance as the Condominium Board may determine advisable or necessary from time to time (Sections 12.1.1 through 12.1.8, collectively, the "Condominium Board Insurance"). The Condominium Board Insurance shall have deductibles in such amounts as the Condominium Board, from time to time, may reasonably determine. The Condominium Board shall review the limits of Condominium Board Insurance at least once each year.

12.2 Non-Residential Unit Owner's Insurance Requirements.

(a) Each Non-Residential Unit Owner shall obtain and maintain the following insurance in such amounts and in such limits as described below, or in such higher amounts and in such higher limits as the Condominium Board, from time to time, may determine:

12.2.2 Commercial General Liability policy of insurance form ISO CG 001 07 98 (which includes water damage insurance), or equivalent liability coverage, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate per location, and an Umbrella Liability policy, including, Cross Liability coverage (if available) covering one insured against another, Owned, Hired and Non-Owned Auto Liability, Notice and Knowledge of Occurrence, Unintentional Errors and Omissions, and Contractual Liability Products and Completed Operations Liability coverage, with limits of not less than \$100,000,000 per occurrence and annual aggregate per location. The Non-Residential Unit Owner purchasing such Commercial General Liability policy shall be the named insured. Each of the Boards and the other Unit Owners, together with its or their respective subsidiaries, affiliates, directors, officers, members, managers, partners, agents, employees, servants and assignees, managing agents and mortgagees, and such other entities as shall reasonably be requested shall be included as additional insured(s) on a primary basis. Notwithstanding anything herein to the contrary, the Performing Arts Unit Owner may purchase the insurance required under this Section 12.2.1 with aggregates on a "per event" basis.

12.2.3 Insurance against loss customarily included in so-called "All Risk" or Special Form Perils property insurance and Comprehensive Boiler & Machinery coverage, each on a replacement cost basis, covering the interests of the Non-Residential Unit Owner and its Registered Mortgagee in the applicable Non-Residential Unit (including the Limited Common Elements appurtenant thereto), as their respective interests may appear, in amounts reasonably sufficient to undertake and complete any Unit Restoration Work and otherwise comply with Section 12.10.4 below.

12.2.4 Business Income and/or Rental Income due to an occurrence or accident insured under the "All Risk" policy and the Boiler and Machinery policy. The coverage shall be provided on "Actual Loss Sustained" forms in amounts of not less than twenty-four (24) months of the then annual General Common Charges payable by the applicable Non-Residential Unit Owner at the time of purchase or renewal of such policy. Such policy of Business Income and/or Rental Income shall have a maximum deductible of no more than six (6) months of the then annual General Common Charges payable by the applicable Non-Residential Unit Owner at the time of purchase or renewal of such policy. Each Non-Residential Owner shall use commercially reasonable efforts to name the Condominium Board as "loss payee", as its interest may appear, under such policy.

(b) In the event that any two or more Non-Residential Unit Owners have created a Sub-Board with respect to such Owners' Units, the applicable Non-Residential Unit Owners shall continue to be obligated to obtain the foregoing insurance; provided, however, that such insurance may be obtained by such Sub-Board on behalf of such Non-Residential Unit Owners.

12.3 Residential Unit Owner's Insurance Requirements.

Each Residential Unit Owner shall obtain and maintain the following insurance in such amounts and in such limits as described below, or in such higher amounts and in such higher limits as the Residential Board, from time to time, may determine:

12.3.1 Liability insurance, with a limit of not less than \$1,000,000 per occurrence, and an Umbrella Liability Policy with limits of not less than \$5,000,000 per occurrence and annual aggregate per location, covering the interests of the Residential Unit Owner and its Permitted Mortgagee in the applicable Residential Unit as their respective interests may appear. Such insurance may, at the option of the Residential Unit Owner, be effected by a Homeowners HO-6 form (or its equivalent). The Residential Unit Owner purchasing such policy shall be the named insured.

12.4 Residential Boards' Insurance Requirements.

(a) Each Residential Board (on behalf of the applicable Residential Section) shall obtain and maintain the following insurance in such amounts and in such limits as described below, or in such higher amounts and in such higher limits as the Condominium Board, from time to time, may determine:

12.4.2 Commercial General Liability policy of insurance form ISO CG 001 07 98 (which includes water damage insurance), or equivalent liability coverage, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate per location, and an Umbrella Liability policy, including Cross Liability coverage (if available) covering one insured against another, Owned, Hired and Non-Owned Auto Liability, Notice and Knowledge of Occurrence, Unintentional Errors and Omissions, and Contractual Liability Products and Completed Operations Liability coverage, with limits of not less than \$100,000,000 per occurrence and annual aggregate per location. The Residential Board purchasing such Commercial General Liability policy shall be the named insured. Each of the Boards and the other Unit Owners, together with its or their respective subsidiaries, affiliates, directors, officers, members, managers, partners, agents, employees, servants and assignees, managing agents and mortgagees, and such other entities as shall reasonably be requested shall be included as additional insured(s) on a primary basis.

12.4.3 Insurance against loss customarily included in so-called "All Risk" or Special Form Perils property insurance and Comprehensive Boiler & Machinery coverage, each on a replacement cost basis, covering the interests of, as the case may be, the applicable Residential Unit Owners and its Registered Mortgagee in the applicable Residential Limited Common Elements, as their respective interests may appear, in amounts reasonably determined by the Condominium Board to be sufficient to undertake and complete any Residential LCE Restoration Work, and otherwise comply with the provisions of Section 12.10.5 below.

12.4.4 In the event that any two or more Residential Boards have created a Sub-Board, the applicable Residential Boards shall continue to be obligated to obtain the foregoing insurance; provided, however, that such insurance may be obtained by such Sub-Board on behalf of such Residential Boards.

12.5 Insurance Requirements During the Course of Alterations and/or Repairs. The Condominium Board shall promulgate, as part of the General Rules and Regulations, rules and regulations specifying, with respect to the performance of Alterations and/or Repairs by any Person, whether insurance is required to be carried with respect to such Alteration and/or Repair and if so, the type of insurance required, the amount thereof, the Person required to carry any such insurance and such

other related matters as the Condominium Board shall deem appropriate. Notwithstanding anything to the contrary contained in these By-Laws, provisions consistent with Section 12.7 hereof shall be part of such rules and regulations only to the extent, if any, deemed appropriate by the Condominium Board.

12.6 Insurance as a General Common Charge.

12.6.1 The premiums for all insurance referred to in Section 12.1 above shall be a General Common Expense and shall be borne by each of the General Common Charge Obligor as a General Common Charge allocated to the "General" Cost Control Category. Any General Common Charge Obligor may request the Condominium Board to obtain and maintain for its benefit any additional coverages and any changes or amendments to the terms and conditions of existing coverages as such requesting General Common Charge Obligor sees fit (collectively, the "Additional Insurance Coverage") and may require that all proceeds of any such Additional Insurance Coverage (to the extent that it can be determined with reasonable certainty that such proceeds relate to such Additional Insurance Coverage and not to insurance purchased by the Condominium Board on its own behalf) be payable to such General Common Charge Obligor (and if, notwithstanding such requirement, proceeds are paid to the Condominium Board or the Insurance Trustee, then notwithstanding any other provision of these By-Laws to the contrary, such proceeds shall be turned over to such General Common Charge Obligor); provided, however, that (A) the cost of such Additional Insurance Coverage shall be borne entirely by the Person requesting it and such Person shall indemnify the Condominium Board from any loss, cost and expense (including reasonable attorney's fees) in connection therewith and (B) the Additional Insurance Coverage shall not (i) preclude the Condominium Board from purchasing, for itself, insurance coverage similar to such Additional Insurance Coverage, (ii) preclude the Condominium Board from receiving proceeds from any Condominium Board Insurance, (iii) cause the Condominium Board Insurance to be less protective or (iv) adversely affect the interests of the Unit Owners or Boards.

12.6.2 If the use of all or any portion of any Non-Residential Area or all or any portion of a Residential Section in violation of these By-Laws or the Declaration causes an increase in the premium for the insurance which the Condominium Board or any Unit Owner is required to obtain and maintain as set forth herein or otherwise, then the owner of the Unit within such Area or the Residential Board of such Section shall be obligated to pay to the Condominium Board, as an additional General Common Charge, or to pay to such Unit Owner, as the case may be, a sum equal to the amount of such increase attributable to such use. If the use of any Residential Unit in violation of these By-Laws or the Declaration causes an increase in General Common Charges payable by the Residential Board of such Unit Owner's Residential Section in accordance with the preceding sentence of this subsection, then the owner of such Residential Unit shall be obligated to pay to the affected Residential Board, as an additional Residential Common Charge (as defined in Residential By-Laws), a sum equal to the amount of such increase attributable to such use.

12.7 General Insurance Matters.

12.7.1 Self-Insurance. Notwithstanding anything in these By-Laws to the contrary, no Person may provide the insurance coverages required under these By-Laws pursuant to any plan of self-insurance.

12.7.2 Blanket Policy. The insurance coverage required of any Person under this Article 12, at the option of such Person, may be offered under a blanket policy or policies, provided that any such blanket policy shall otherwise comply with the provisions of these By-Laws. With respect to blanket property policies covering the applicable property to be insured pursuant to these By-Laws (the "Insured Property") and other properties and assets not constituting a part of such Insured Property, such blanket policies shall be without possibility of co-insurance or reduction below the limits required by this

Article 12 by reason of, or damage to, any other property (real or personal) named therein. If the insurance required by these By-Laws shall be effected by any such blanket policy, such Person shall furnish to the Person or Persons specified in Section 12.7.4 hereof (when and as such deliveries would be required for the insurance regularly required by these By-Laws not constituting blanket coverage) valid certificates of insurance evidencing such policy, with schedules thereto attached (with respect to property or building insurance) showing the amount of insurance afforded by such policies applicable to the Insured Property.

12.7.3 Policy Requirements. (a) All policies required to be obtained pursuant to these By-Laws shall:

be purchased from and maintained with companies duly licensed, and preferably admitted to do business in the State of New York, which are rated at the time of purchase or renewal of such policy in the then most current A.M. Best Key Rating Guide with ratings of A and X or better (or the equivalent of such rating if there is a change in the basis of the rating, or any successor publication of comparable standing) with respect to policies required to be obtained by the Condominium Board, the Non-Residential Unit Owners and the Residential Boards pursuant to Sections 12.1, 12.2 and 12.4 of these By-Laws, respectively. Notwithstanding anything herein to the contrary, forty percent (40%) of the coverage required to be obtained by the Condominium Board, the Non-Residential Unit Owners and the Residential Boards pursuant to Sections 12.1, 12.2 and 12.4 of these By-Laws, respectively, as to any given policy, may be purchased from companies with a rating of less than A/X (i.e., A-/X, A-/IX or A-/IX); provided, however, that (a) in no event shall any such company be rated less than A-/IX, (b) in no event shall any such company have a rating of A-(u) and (c) fifty percent (50%) of the coverage purchased from companies rated less than A/X shall be purchased with a limit of no greater than ten percent (10%) of the applicable company's policy holder's surplus. Notwithstanding anything herein to the contrary, the provisions of this Section 12.7.3(a)(A) do not apply to the Residential Unit Owners, and the insurance companies furnishing the policies required to be obtained by the Residential Unit Owners pursuant to these By-Laws shall be rated pursuant to and in accordance with the applicable Residential By-Laws.

with respect to "All Risk" or other property coverage, contain a waiver of the insurer's right of subrogation against the Unit Owners, the Boards, any Registered Mortgagee and all Occupants.

provide that before any material change or cancellation of a policy for which an additional insured or loss payee is required to be named pursuant to this Article 12, at least thirty (30) days' advance written notice shall be given in the case of insurance required to be maintained by (w) the Condominium Board, to the each Non-Residential Unit Owner, each Registered Mortgagee and the other Boards, (x) a Non-Residential Unit Owner, to the other Non-Residential Unit Owners and the Boards, (y) a Residential Board to the other Boards and each Non-Residential Unit Owner and (z) a Residential Unit Owner, to the applicable Residential Board.

be primary as to the named insured and not be entitled to contribution from any other insurance that may be maintained by any other party.

contain an endorsement or agreement by the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of the policy holder.

(b) All policies of "All Risk" and Comprehensive Boiler & Machinery property coverage required to be obtained by any Person pursuant to these By-Laws shall name its Registered Mortgagee, if any, as a "mortgagee" under a standard New York State mortgagee clause or its equivalent which shall provide that the loss, if any, thereunder shall be payable to such Registered Mortgagee, as its interest may appear, subject, however, to the provisions of Sections 12.10.1 and 12.10.2 with respect to insurance maintained by the Condominium Board and subject to the provisions of Sections 12.10.4 and 12.10.5 with respect to insurance required to be maintained by the Unit Owners and the Residential Boards, respectively.

(c) All policies of "All Risk" and Comprehensive Boiler & Machinery property coverage required to be obtained by the Condominium Board shall (A) provide that adjustment of loss shall be made by the Condominium Board on behalf of all Unit Owners and Registered Mortgagees, if applicable, and (B) name the Insurance Trustee (as hereinafter defined) as "loss payee" as agent for the insured in the event the proceeds payable are in excess of \$2,000,000.

(d) Prior to the Condominium Board obtaining any policy of property insurance, and at three (3) year intervals thereafter (or more often, if deemed appropriate by the Condominium Board), the Condominium Board shall obtain an appraisal of the full replacement value of the General Common Elements (including the General Common Elements which are underground), without deduction for depreciation, for the purpose of determining the amount of property insurance to be obtained pursuant to Section 12.1. The cost of any such appraisal shall be borne by the General Common Charge Obligors as a General Common Charge in the same proportion as each such party bears under the Budget with respect to insurance.

(e) Unless otherwise required of the Residential Unit Owners or Residential Boards by the applicable Residential By-Laws, the Condominium Board, Residential Boards, and Unit Owners shall not be required to obtain or maintain any insurance with respect to any personal property contained in the respective General Common Elements, Residential Limited Common Elements or Unit (or any Limited Common Elements or Exclusive use General Common Elements appurtenant to such

Unit), except as is mandated under any "All Risk" or Comprehensive Boiler & Machinery property coverage required under these By-Laws. The Unit Owners and the Residential Boards shall not be prohibited from carrying other insurance for their own benefit in addition to the insurance required to be carried by such Unit Owners and Residential Boards under these By-Laws.

12.7.4 Evidence of Insurance. (a) Condominium Board Insurance. The Condominium Board shall deliver to all Non-Residential Unit Owners and each other Board and all Registered Mortgagees a certificate of insurance evidencing the insurance required to be maintained by the Condominium Board under Section 12.1 above and all renewals thereof, evidencing same, and promptly after issuance of any renewal or replacement policy, together with proof of payment of premiums. Renewals shall be obtained at least twenty (20) days prior to the expiration of the then current policies.

(b) Non-Residential Unit Owner Insurance. Each Non-Residential Unit Owner shall deliver to the other Non-Residential Unit Owners and the Boards a certificate of insurance evidencing the insurance required to be maintained by such Unit Owner under Section 12.2 above and all renewals thereof, evidencing same, and promptly after issuance of any renewal or replacement policy, together with proof of payment of premiums. Renewals shall be obtained at least twenty (20) days prior to the expiration of the then current policies.

(c) Residential Unit Owner Insurance. Each Residential Unit Owner shall deliver to the applicable Residential Board a certificate of insurance evidencing the insurance required to be maintained by such Unit Owner under Section 12.3 above and all renewals thereof, evidencing same, and promptly after issuance of any renewal or replacement policy, together with proof of payment of premiums. Renewals shall be obtained at least twenty (20) days prior to the expiration of the then current policies.

(d) Residential Board Insurance. Each Residential Board shall deliver to the other Boards and each Non-Residential Unit Owner a certificate of insurance evidencing the insurance required to be maintained by such Residential Board under Section 12.4 above and all renewals thereof, evidencing same, and promptly after issuance of any renewal or replacement policy, together with proof of payment of premiums. Renewals shall be obtained at least twenty (20) days prior to the expiration of the then current policies.

(e) Residential Board Monitoring of Residential Unit Owner Insurance. Each Residential Board shall take commercially reasonable steps to enforce the obligations of its Residential Unit Owners under Section 12.3 and 12.7.4(c) of these By-Laws, and shall, on a quarterly basis, provide to the Condominium Board a report detailing those Residential Unit Owners that have not so complied, but the Residential Boards shall have no liability for the failure of such Residential Unit Owners to so comply. Nothing contained in this Section 12.7.4(e) shall be deemed to limit the obligations of Residential Unit Owners under Section 12.3 and Section 12.7.4(c) of these By-Laws.

(f) Certificates of Insurance; Policies. The certificates of insurance required to be obtained by any Person pursuant to this Section 12.7.4 shall be kept at the offices of such Person at the Property or at such other reasonably proximate location(s) in The City of New York. In the event that any certificate of insurance shall fail to contain detail reasonably sufficient enough to enable the Person(s) who are entitled to a copy of such certificate to reasonably determine if the insurance covered by such certificate complies with the provisions of this Article 12, then such Person or Persons shall have the right, upon reasonable notice to the Person maintaining such insurance, to inspect the policy or policies underlying such certificate.

12.8 Waiver of Subrogation.

Each of the Boards and the Unit Owners (and their Occupants) (the "Releasing Party") hereby releases and waives for itself, and each Person claiming by, through or under it, each other Unit Owner and all Boards and their respective Occupants (the "Released Party") from any liability for any loss or damage to all property of such Releasing Party located upon any portion of the Property, which loss or damage is of the type covered by "All-Risk" or Comprehensive Boiler & Machinery property insurance policies required to be carried under these By-Laws, irrespective either of any negligence on the part of the Released Party which may have contributed to or caused such loss, or of the amount of such insurance required or actually carried, including any deductible. The Releasing Party agrees to obtain, if needed, appropriate language in its policies of insurance, and to the policies of insurance carried by its Occupants, with respect to the foregoing release.

12.9 Indemnification.

12.9.1 Indemnification by Unit Owners.

Subject to the waiver of claims and waiver of subrogation set forth in this Article 12, each Unit Owner covenants to indemnify, defend and hold each other Unit Owner (and such other Unit Owner's Occupants) and each Board harmless (except for loss or damage resulting from the gross negligence, willful misconduct or bad faith of any such other Unit Owners or Boards, or their respective Occupants, directors, officers, agents, tenants, contractors, employees, servants, licensees (collectively, the "Related Parties") from and against any and all claims, actions, suits, judgments, damages, liabilities and expenses (including, without limitation, reasonable attorneys' fees) in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in or upon the Unit (or any Limited Common Element or Exclusive Use General Common Element appurtenant to such Unit) owned by such Unit Owner, or occasioned wholly, or in part, by any gross negligence, willful misconduct or bad faith of such Unit Owner, or its respective Related Parties.

12.9.2 Indemnification by Boards. Subject to the waiver of claims and waiver of subrogation set forth in this Article 12, each of the Boards covenants to indemnify, defend and hold each Unit Owner (and each Unit Owner's Occupants) and each other Board harmless (except for loss or damage resulting from the gross negligence, willful misconduct or bad faith of such Unit Owner or any such other Board, or their respective Related Parties) from and against any and all claims, actions, suits, judgments, damages, liabilities and expenses (including, without limitation, reasonable attorneys' fees) in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in or upon (i) with respect to the Condominium Board, the General Common Elements, and (ii) with respect to each of the Residential Boards, the applicable Residential Limited Common Elements, or occasioned wholly or in part by any gross negligence, willful misconduct or bad faith of the Boards, or their respective Related Parties.

12.10 Casualty and Condemnation.

12.10.1 General Common Element Restoration Funds. All insurance proceeds under all policies required to be obtained by the Condominium Board with respect to any property loss (the "GCE Restoration Insurance Proceeds") and all condemnation awards, if any, with respect to the General Common Elements (such sums, together with any interest or income earned thereon, but net of the reasonable fees, compensation and expenses incurred by the Insurance Trustee hereunder, collectively, the "GCE Restoration Funds") shall be payable to the Condominium Board, except that if the GCE Restoration Funds shall exceed \$2,000,000, all GCE Restoration Funds shall be payable to the Insurance Trustee.

12.10.2 Use of GCE Restoration Funds. The Condominium Board shall (i) hold in trust on behalf of all Unit Owners any GCE Restoration Funds it receives, (ii) subject to the provisions of Sections 12.10.3 and 12.10.6 of these By-Laws, use the GCE Restoration Funds only for GCE Restoration Work and (iii) not commingle the GCE Restoration Funds with other funds being held by the Condominium Board.

12.10.3 Casualty to or Condemnation of General Common Elements; Repair by Condominium Board; GCE Restoration Work.

(a) GCE Restoration Work. Except as provided herein, in the event of (i) the casualty of all or any part of the General Common Elements, (ii) the taking in condemnation or by eminent domain of all or any part of the General Common Elements, or (iii) the taking in condemnation or by eminent domain of all or any part of a Unit, then, subject to the provisions set forth below, the Condominium Board will arrange for the prompt repair and restoration of the part of the General Common Elements affected by such casualty or impaired by such taking which, pursuant to the provisions of the Declaration or By-Laws, are required to be maintained by the Condominium Board (the "GCE Restoration Work"). In the event of a casualty, such GCE Restoration Work shall restore the General Common Elements so that they are the same type and quality as existed immediately prior to such casualty; provided, however, that alterations to such General Common Elements may be made in accordance with Article 8 of these By-Laws. In the event of a taking, such GCE Restoration Work shall take into account the physical constraints imposed by such taking, and accordingly the General Common Elements may be altered (in accordance with Article 8 of these By-Laws) to account for such physical constraints; provided, however, that in no event shall the Condominium Board have the right to utilize additional space in any Unit in connection with such restoration, unless such right has otherwise been granted under these By-Laws or the Declaration or in connection with such taking. Notwithstanding anything herein to the contrary, in no event shall the Condominium Board be obligated to restore any Unit Owner's fit-out to or personal property contained within the Exclusive Use General Common Elements.

(b) Disbursement of GCE Restoration Funds; GCE Restoration Funds Request. In the event of any GCE Restoration Funds held by the Insurance Trustee, (a) the Condominium Board shall apply to the Insurance Trustee for disbursement of the GCE Restoration Funds and (b) the Insurance Trustee shall disburse the GCE Restoration Funds to the Condominium Board in installments as the GCE Restoration Work progresses and in accordance with the provisions hereof and the provisions of the Insurance Trustee Agreement. Each request for GCE Restoration Funds (each such request, together with all supporting documentation, herein called a "GCE Restoration Funds Request") shall also be sent to the Non-Residential Unit Owners, the other Boards and all Registered Mortgagees. Advances by the Insurance Trustee shall be made not more than once a month, after the Insurance Trustee's receipt of a written request therefor from the Condominium Board, addressed to the Insurance Trustee, provided that:

(i) such GCE Restoration Funds Request shall be accompanied by a certificate of a Certifying Professional (as defined below) in charge of the GCE Restoration Work (A) requesting payment of specified amounts of the GCE Restoration Funds equal to the amounts then due and owing to contractors or other parties (less any retainage amounts, if any, as determined by the Condominium Board) for performance of all or a portion of the GCE Restoration Work under specific contracts or agreements in respect of the GCE Restoration Work, or to the Condominium Board as reimbursement for a cost of the GCE Restoration Work paid by the Condominium Board, (B) describing in reasonable detail the GCE Restoration Work performed or materials provided under such contracts or agreements, for which GCE Restoration Funds are then being requested, (C) stating that such payment does not exceed the amount then due and owing (or reimbursable) in respect of the GCE Restoration Work completed to date and materials supplied under such contracts or agreements, (D) stating that all

GCE Restoration Work has been performed substantially in accordance with the plans and specifications for such GCE Restoration Work, and that all such materials have theretofore been incorporated as General Common Elements into the Building (except for such materials specifically delineated as not yet being so incorporated into the Building, and with respect to such materials, stating the status of such materials (if such materials are being fabricated) or stating the location of such materials (if such materials are stored off-site)), (E) stating that the cost to complete the GCE Restoration Work does not exceed the amount of the remaining funds held by the Insurance Trustee and (E) stating that the cost of such GCE Restoration Work and materials has not been previously made the basis of any GCE Restoration Funds Request (such certificate being herein called the "Certificate"); and

(ii) the Insurance Trustee receives waivers of all mechanic's and other similar liens (or title endorsements or other satisfactory evidence) with respect to all of the GCE Restoration Work for which a GCE Restoration Funds Request has previously been made and funded (if and only to the extent that such lien waivers have not been previously provided).

Upon compliance with subsections (i) and (ii) above, the amount requisitioned for such GCE Restoration Work shall be paid to the Condominium Board or the Persons designated in the Certificate. "Certifying Professional" shall mean an architect or a licensed professional engineer or engineering or construction consulting firm retained by the Condominium Board in connection with the GCE Restoration Work, which is experienced in the design and operation in the City of New York of structures similar to the Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years, and which is selected by the Condominium Board.

(c) GCE Restoration Funds Deficiency. If, as part of the Certificate accompanying the GCE Restoration Funds Request, or prior to the commencement of (and also at any time during the prosecution of) the GCE Restoration Work, the Certifying Professional or the Condominium Board reasonably estimates that the cost to complete the GCE Restoration Work exceeds the GCE Restoration Funds then being held by the Insurance Trustee or the Condominium Board, as the case may be, then the Condominium Board shall be required to notify each General Common Charge Obligor of the amount of such estimated deficiency and each General Common Charge Obligor's pro rata allocation thereof (which such allocation shall be determined consistent with the Common Interest of each General Common Charge Obligor), and shall be payable by each General Common Charge Obligor as a Special Assessment (hereinafter referred to as a "Special GCE Restoration Assessment"; all such Special GCE Restoration Assessments received by the Condominium Board, the "Special GCE Restoration Assessment Proceeds"). At the election of the Condominium Board, each General Common Charge Obligor shall then pay its respective Special GCE Restoration Assessment either: (i) in a lump sum, to be paid as a Special Assessment pursuant to and in accordance with Section 6.1.1(m) of these By-Laws or (ii) in installments, as may be necessary, in the determination of the Condominium Board, to pay for the GCE Restoration Work. The Special GCE Restoration Assessment Proceeds shall be treated as if such monies were GCE Restoration Funds.

(d) Excess GCE Restoration Insurance Proceeds. To the extent not drawn upon and/or applied to the GCE Restoration Work, the Insurance Trustee and/or the Condominium Board, as the case may be, shall, after the completion of the GCE Restoration Work, return all excess GCE Restoration Insurance Proceeds to the General Common Charge Obligors according to the Common Interest of such General Common Charge Obligors (after deducting from the amount to be distributed to each General Common Charge Obligor the amount, if any, of any General Common Charges or Special Assessments (and other charges related thereto imposed under Section 13.6.4 of these By-Laws) then due and owing from such General Common Charge Obligor (such deducted amount, a "Delinquency Charge").

(e) Excess Special GCE Restoration Assessment Proceeds. To the extent not drawn upon and/or applied to the GCE Restoration Work, the Insurance Trustee and/or the Condominium Board, as the case may be, shall, after the completion of the GCE Restoration Work, return all excess Special GCE Restoration Assessment Proceeds it receives to each General Common Charge Obligor according to the pro rata share of such General Common Charge Obligor's contribution to such Special GCE Restoration Assessment Proceeds, after deducting any Delinquency Charge. If any General Common Charge Obligor fails to pay its Special GCE Restoration Assessment in accordance with the provisions of Section 12.10.3(c) of these By-Laws, then the Special GCE Restoration Assessment of such General Common Charge Obligor still due and payable (the "Delinquent Special GCE Restoration Assessment") shall be subject to late charges, interest, expenses and fees, all pursuant to and in accordance with Section 13.6.4 of these By-Laws (such charges, the "Special GCE Restoration Assessment Penalties"). Upon payment to the Condominium Board of the Delinquent Special GCE Restoration Assessment, and to the extent not drawn upon and/or applied to such completed GCE Restoration Work, then the Insurance Trustee and/or the Condominium Board, as the case may be, shall distribute the Delinquent Special GCE Restoration Assessment to each General Common Charge Obligor, after deducting any Delinquency Charge, according to the pro rata share of such General Common Charge Obligor's contribution to the Special GCE Restoration Assessment Proceeds. The Special GCE Restoration Assessment Penalties shall be distributed to each General Common Charge Obligor (excluding the General Common Charge Obligor paying such Special GCE Restoration Assessment Penalties) according to the pro rata share of such General Common Charge Obligor's contribution to the Special GCE Restoration Assessment Proceeds (taking into account any prior distribution of any excess Special GCE Restoration Assessment Proceeds and after deducting any Delinquency Charge) prior to the payment of the Delinquent Special GCE Restoration Assessment.

12.10.4 Casualty to or Condemnation of Units; Repair by Unit Owners; Unit Restoration Work. Except as provided herein, in the event a Unit (and in the case of a Non-Residential Unit, the Limited Common Elements appurtenant thereto) is damaged or destroyed by casualty or impaired by a partial taking by condemnation or eminent domain, the affected Unit Owner(s) shall immediately remove any rubble and debris resulting from such event and, within a reasonable time thereafter, shall (at its election) either repair and restore the Unit (and the appurtenant Limited Common Elements, if applicable) so damaged or destroyed by casualty, or such of the Unit (and the appurtenant Limited Common Elements, if applicable) as shall remain following the taking, (i) to a complete, independent and self-contained architectural whole and/or (ii) to a safe and secure "core and shell" condition, with complete and slightly demising walls, doors and exterior visible surfaces separating such Unit (or any Limited Common Elements appurtenant to such Unit) from any other Unit (or from any Limited Common Elements appurtenant to such other Unit) or General Common Element visible from outside of the applicable Unit, having no adverse effect on any other Unit or the Common Elements (either of the foregoing (i) or (ii), the "Unit Restoration Work"). Notwithstanding anything herein to the contrary, the Unit Restoration Work with respect to any Residential Unit shall be performed by the applicable Residential Board (on behalf of the applicable Residential Unit Owner). For the purposes of this Section 12.10.4 and Section 12.10.5, if any Unit or Units are part of a Sub-Group, the Sub-Board (on behalf of the applicable Unit Owners) may perform the obligations of the applicable Unit Owners.

12.10.5 Casualty to or Condemnation of Residential Limited Common Elements; Repair by Residential Boards; Residential LCE Restoration. Except as provided herein, if any portion of the Residential Limited Common Elements are damaged or destroyed by casualty or impaired by a partial taking by condemnation or eminent domain, the Residential Board (on behalf of the affected Residential Unit Owner(s)), shall immediately remove any rubble and debris resulting from such event and, within a reasonable time thereafter, shall (at its election) either repair and restore the Residential Limited Common Elements so damaged or destroyed by casualty, or such of the Residential Limited Common Elements as shall remain following the taking, (i) to a condition substantially similar to the condition of such

Residential Limited Common Elements as existed immediately prior to such casualty or taking or (ii) to a safe and secure "core and shell" condition, with secure, complete and sightly demising walls, doors and exterior visible surfaces separating such Residential Limited Common Elements from any other Unit (or from any Limited Common Elements appurtenant to such Unit) or General Common Element visible from outside of the applicable Residential Limited Common Elements, having no adverse effect on any other Unit or the Common Elements (either of the foregoing (i) or (ii), with respect to a casualty or taking of the Residential Limited Common Elements, the "Residential LCE Restoration Work").

12.10.6 Casualty to Seventy Five Percent (75%) or More of the Building.

Notwithstanding any provision of the Declaration or By-Laws to the contrary, if seventy-five (75%) percent or more of the Building is destroyed or damaged by fire or casualty (a "Significant Casualty") and if, at any time prior to the execution and delivery of any construction contract relating to the GCE Restoration Work, Unit Restoration Work or Residential LCE Restoration Work (other than a construction contract relating solely to Safety Work (as defined below) or other minor construction work not constituting restoration work), the Condominium Board, on the basis of a Common Interest Vote of more than seventy-five percent (75%), duly votes not to proceed to make the necessary GCE Restoration Work or require the necessary Unit Restoration Work or Residential LCE Restoration Work, as the case may be, then (i) the Condominium Board shall secure and fence in the Property boundary, and shall raze the Building, if necessary, and put the Building and Property into compliance with applicable Laws, and otherwise make the Property and Building safe (all of the activities described in this clause (i), the "Safety Work") and (ii) the GCE Restoration Insurance Proceeds, net of the costs and expenses of the Condominium Board hereunder and the cost of any Safety Work, shall be divided among the Unit Owners in accordance with their respective Common Interests; provided, however, that (1) no payment shall be made to a Unit Owner until there has first been paid out of its share of such fund all liens of Registered Mortgagees holding mortgages against such Unit Owner's respective Unit, and all unpaid charges, liens and Delinquency Charges applicable to such Unit and (2) in such event the Performing Arts Unit Owner shall, immediately upon the request of the Condominium Board (which request may, at the Condominium Board's option, be made on the date such proceeds are distributed as aforesaid), surrender the Performing Arts Unit to any Person designated by the Condominium Board so long as such surrender and such Person complies with the third and fifth sentences of Section 7 of the Restrictions Instrument, provided that the Performing Arts Unit Owner shall have no obligation to so convey if, on or prior to the date the request is made, either the Restrictions Instrument has been amended to delete clause (ii) of the third sentence, and the fourth and fifth sentences, of Section 7 thereof, or the City has agreed to irrevocably waive such provisions.

12.10.7 Partial Condemnation. Notwithstanding anything in the Declaration or these By-Laws to the contrary, if the Building is partially taken by condemnation or eminent domain (a "Partial Condemnation"), then (i) the Condominium Board shall be required to restore only those General Common Elements necessary for the Units remaining after such Partial Condemnation and (ii) any Unit Owner whose Unit has been partially taken and irrespective of any condemnation award therefor, shall contribute to the Condominium Board the cost for any applicable GCE Restoration Work relating to such Unit Owner's Unit, and such funds shall be deemed to be GCE Restoration Funds; provided, however, that any excess GCE Restoration Funds shall, after the completion of the applicable GCE Restoration Work, be returned to such Unit Owner (after deducting any Delinquency Charges).

12.10.8 Total Condemnation. Notwithstanding any provision of the Declaration or By-Laws to the contrary, if all or substantially all of the Building is taken by condemnation or eminent domain (a "Total Condemnation") (a) the Condominium Board shall perform any Safety Work which it deems appropriate, (b) any award received by a Unit Owner with respect to the taking of its Unit as part of the Total Condemnation shall be payable to the applicable Unit Owner, after deducting any

Delinquency Charges and (c) the Condominium Board shall have no obligation to restore the General Common Elements.

12.10.9 Restoration Work; Plans. All GCE Restoration Work, Unit Restoration Work and Residential LCE Restoration Work hereunder shall be performed in accordance with the applicable provisions of the Declaration and these By-Laws regarding the performance of Alterations and/or Repairs, including without limitation the approval provisions of Section 8.1.1 of these By-Laws.

12.10.10 Reallocation of Percentage Interests. (a) If, as a result of a taking or casualty, the gross square footage of any Unit changes, the Condominium Board shall promptly (x) adjust, as of the date of such taking or casualty, the Unit Owner's Common Interest percentage in a manner consistent with the allocation of the Common Interests in existence immediately preceding such casualty or taking and in accordance with the then applicable Real Property Law, (y) adjust, as of the date of such taking or casualty, the Budget, so that the Cost Control Categories and Budget Interests shall continue to reflect the allocation methodologies used to determine such Cost Control Categories and Budget Interests under the Budget in existence immediately preceding such casualty or taking, and (z) subject to the provisions of Article 18 of the Declaration and Article 17 of these By-Laws, prepare and record in the Register's office an amendment to the Declaration, confirming such reallocation. If the Condominium Board shall not agree on any of the matters referred to in the foregoing clauses (x), (y) and (z) within ninety (90) days following completion of the reconstruction, they shall submit such issue to Arbitration.

(b) If a Unit Owner does not (in the course of restoring its Unit, including any Limited Common Element appurtenant thereto, following a casualty) restore the number of gross square feet existing immediately preceding the fire or other casualty, then, notwithstanding the reduction in the number of gross square feet in such Unit Owner's Unit (or its Limited Common Element appurtenant thereto), such Unit Owner's Common Interest and allocation of General Common Charges shall not be diminished. Likewise, each Unit Owner's Common Interest and allocation of General Common Charges shall not be adjusted or diminished if a Unit Owner chooses to restore its Unit to a "core and shell" condition rather than to a fully operational condition (as each such condition is described in Section 12.10.4 above).

(c) Unless otherwise shown on the plans for the rebuilding, repairing, replacement or reconstruction of a Unit, during the period of any rebuilding, repairing, replacement or reconstruction of such Unit the gross square footage previously attributable to that Unit shall be deemed to be the same as existed immediately prior to such period.

ARTICLE 13

EVENTS OF DEFAULT; RIGHTS OF CURE; CONDOMINIUM BOARD'S LIEN; GRANTEEES LIABLE FOR UNPAID GENERAL COMMON CHARGES

13.1 Events of Default.

13.1.1 Types; Notice and Cure Periods. Subject to the terms of Section 13.1.2, each of the following events shall be deemed an "Event of Default" hereunder (with those arising under "(a)", "(b)" and "(c)" below being referred to as "Monetary Events of Default" and those arising under "(d)", "(e)" and "(f)" below being referred to as "Non-Monetary Events of Default"):

(a) if a General Common Charge Obligor shall fail to pay when due all or any portion of any of its General Common Charges or all or any portion of any other amounts payable to the Condominium Board under the Declaration or these By-Laws, and such failure continues for a period of fifteen (15) days following receipt by the defaulting General Common Charge Obligor from the Condominium Board of a notice of default with respect thereto that specifies the amounts due, and states in bold print: **"THIS IS YOUR FIRST AND ONLY REQUIRED NOTICE THAT YOU ARE IN DEFAULT IN THE PAYMENT OF THE SUMS DESCRIBED HEREIN WHICH ARE PAYABLE TO THE CONDOMINIUM BOARD. FAILURE TO MAKE PAYMENT OF SUCH SUMS WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF THIS NOTICE SHALL CONSTITUTE AN EVENT OF DEFAULT UNDER ARTICLE 13 OF THE CONDOMINIUM BY-LAWS."**; or

(b) if a General Common Charge Obligor shall fail to pay when due any monies expended by the Condominium Board in curing any default by such General Common Charge Obligor under the Declaration or these By-Laws, and such failure continues for a period of fifteen (15) days following receipt by the defaulting General Common Charge Obligor from the Condominium Board of a notice of default with respect thereto that specifies the amounts due, and states in bold print: **"THIS IS YOUR FIRST AND ONLY REQUIRED NOTICE THAT YOU ARE IN DEFAULT IN THE PAYMENT OF THE SUMS DESCRIBED HEREIN WHICH ARE PAYABLE TO THE CONDOMINIUM BOARD. FAILURE TO MAKE PAYMENT OF SUCH SUMS WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF THIS NOTICE SHALL CONSTITUTE AN EVENT OF DEFAULT UNDER ARTICLE 13 OF THE CONDOMINIUM BY-LAWS."**; or

(c) if the Initial Residential Grantee, as the owner of an Unsold NT Residential Unit or Unsold ST Residential Unit, shall fail to pay when due any of its Residential Common Charges with respect to any such Unit(s) including that portion of the same constituting General Common Charges which portion shall be payable directly to the Condominium Board (in accordance with subsection 6.1.1(h)(iii) of these By-Laws) or any other amounts payable to the Condominium Board and/or the applicable Residential Board, as the case may be, under the Declaration, these By-Laws or the applicable Residential By-Laws, and such failure continues for a period of fifteen (15) days following receipt by the Initial Residential Grantee, as the owner of any such Unsold Residential Unit, of a notice of default with respect thereto from the Condominium Board and/or the applicable Residential Board, as the case may be that specifies the amounts due, and states in bold print: **"THIS IS YOUR FIRST AND ONLY REQUIRED NOTICE THAT YOU ARE IN DEFAULT IN THE PAYMENT OF THE SUMS DESCRIBED HEREIN WHICH ARE PAYABLE TO THE CONDOMINIUM BOARD. FAILURE TO MAKE PAYMENT OF SUCH SUMS WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF THIS NOTICE SHALL CONSTITUTE AN EVENT OF DEFAULT UNDER ARTICLE 13 OF THE CONDOMINIUM BY-LAWS."**; or

(d) if a Unit Owner or Residential Board shall fail to obtain and maintain any insurance required to be obtained and maintained by it under such of the Condominium Documents as may be applicable, or fails to effect the renewal or substitution of any such policy at least fifteen (15) days prior to the date set forth in any notice received by any such Person from its insurance company or the Condominium Board as the date (the "Insurance Termination Date") on or as of which any such policy is being terminated, is expiring or will otherwise not be renewed (unless such notice is received by such Person with fewer than fifteen (15) days remaining prior to such Insurance Termination Date, in which case such renewal or substitution shall be required in all events prior to the Insurance Termination Date of the required coverage); and any such failure continues for a period of one (1) business day following receipt by the defaulting Unit Owner or Residential Board, from the Condominium Board (and/or, in the case of a Residential Unit Owner, the applicable Residential Board), of a notice of default with respect thereto specifying the policy and coverage amount (as applicable) required to be obtained, maintained, or renewed (as the case may be) and stating in bold print: **"THIS IS YOUR FINAL NOTICE THAT YOU**

ARE IN DEFAULT WITH RESPECT TO THE CONDOMINIUM'S INSURANCE REQUIREMENTS AS SPECIFIED HEREIN. FAILURE TO OBTAIN, MAINTAIN OR RENEW SUCH REQUIRED POLICY/IES OF INSURANCE WITHIN ONE (1) DAY AFTER THE DATE OF THIS NOTICE SHALL CONSTITUTE AN EVENT OF DEFAULT UNDER ARTICLE 13 OF THE CONDOMINIUM BY-LAWS AND THE PROVISIONS OF ANY APPLICABLE RESIDENTIAL BY-LAWS."; or

(e) if a Unit Owner, a Residential Board or the Condominium Board shall fail (whether due to its action or inaction, or the action or inaction of any Permittee or Occupant of any such Unit Owner or Board) to bond or obtain the release or discharge of any mechanic's lien, or to remove of record, and cure the condition resulting in, any violation required to be released, discharged, removed or cured, as the case may be, in accordance with the provisions of (and within the time periods set forth in) Sections 10.1 and 10.2 of these By-Laws, and such failure continues after notice from the person "adversely affected" by such lien or violation (as such term is used in Section 10.1 or 10.2, as applicable), and beyond the expiration of the cure periods therein, provided that such notice shall specify and identify in reasonable detail the mechanic's lien or violation or condition in question and state in bold print: "THIS IS YOUR FIRST AND ONLY REQUIRED NOTICE THAT YOU ARE OBLIGATED TO [RELEASE OR DISCHARGE A MECHANIC'S LIEN and/or REMOVE A VIOLATION AND CURE THE CONDITION GIVING RISE THERETO] [the inapplicable phrase(s) to be deleted], AS REQUIRED BY ARTICLE 10 OF THE CONDOMINIUM BY-LAWS. FAILURE TO EFFECT SUCH [RELEASE, DISCHARGE, REMOVAL OR CURE] [the inapplicable phrase to be deleted] WITHIN [insert applicable cure period] AFTER RECEIPT OF THIS NOTICE SHALL CONSTITUTE AN EVENT OF DEFAULT UNDER ARTICLE 13 OF THE CONDOMINIUM BY-LAWS."

(f) if a Unit Owner or Residential Board (whether due to its action or inaction, or the action or inaction of any Permittee or Occupant of any such Unit Owner or Board) defaults, in the performance of any non-monetary obligation set forth in the Declaration, these By-Laws, any Security Agreement and/or the Residential By-Laws, as applicable (including, without limitation, the breach of any provision of these By-Laws or of the Declaration or the violation of any applicable Rules and Regulations), other than any of the matters described in the preceding subparagraphs of this Section 13.1.1, and if such default continues for a period of thirty (30) days following receipt by the defaulting Unit Owner (in the case of any default by a Unit Owner or such Unit Owner's Occupants or Permittees; with a copy to the applicable Residential Board if such defaulting Unit Owner is a Residential Unit Owner, or a copy to the applicable Sub-Board if such defaulting Unit Owner is within such Sub-Board's Sub-Group) or the defaulting Residential Board (in the case of any default by a Residential Board or the Occupants or Permittees of any Residential Units owned by it) of a notice of default from the Condominium Board, or, if the default is of a nature that it cannot reasonably be cured within such thirty (30) day period, if the defaulting Unit Owner (or its Occupant or Permittee) or Residential Board (or its Occupant or Permittee) fails to: (i) commence such cure as promptly as practicable within such thirty (30) day period; and (ii) thereafter proceed with diligence and continuity to complete such cure (however if a Unit Owner's or Residential Board's Occupant shall be the cause of or otherwise give rise to the default as to which such notice has been given, no Event of Default shall exist if the Unit Owner or Residential Board, as the case may be, uses commercially reasonable efforts (and promptly, diligently and continuously attempts) to cause such defaulting Occupant to cure such default (including, without limitation, the commencement and prosecution of an action to evict such Occupant or seeking an order to compel such Occupant to comply)). All references in this Section 13.1.1(f) to "thirty (30) days" and a "thirty (30) day period" shall be deemed to be references to "fifteen (15) days" and a "fifteen (15) day period" with respect to any breach of the last sentence of Section 6.1.1(k) hereof.

13.1.2 Certain Events of Default Suspended by Arbitration. Notwithstanding anything to the contrary contained in Section 13.1.1 above, (a) no Event of Default shall be deemed to exist by reason of any act, omission, event or condition which would otherwise give rise to or constitute a Non-

Monetary Event of Default for so long as (but only for so long as) such act, omission, event or condition is the subject of an ongoing Arbitration; and (b) a Monetary Event of Default arising solely as a result of the failure to pay any amounts expended by the Condominium Board to cure a Non-Monetary Event of Default under Section 13.1.1(f) (a "Special Monetary Event of Default") shall be deemed not to exist for so long as (but only for so long as) whether or not such Non-Monetary Event of Default exists or existed, or whether or not any such amounts were required to be paid to effectuate such cure, is the subject of an ongoing Arbitration. For purposes of this Section 13.1.2 only, the Arbitration shall be considered "ongoing" during the period commencing upon the service on all parties thereto of an Arbitration Notice (as defined in Article 15 hereof) and concluding upon the rendering of a final decision by the arbitrator therein (or other final resolution of the matter in question) in accordance with the procedures applicable to such Arbitration. The foregoing shall not act to limit the right to Arbitration with respect to disputes concerning Monetary Events of Default (*i.e.*, those arising under Sections 13.1.1(a), (b) and (c) of these By-Laws, including, without limitation, those arising as a result of the failure to pay any amounts expended by the Condominium Board to cure Non-Monetary Events of Default; provided, however, that except as provided in clause (b) of the first sentence of this Section 13.1.2 with respect to Special Monetary Events of Default, the fact that such an Arbitration is ongoing shall not suspend the existence of such Monetary Event of Default for any purpose hereunder. The provisions of this Section 13.1.2 are subject to the provisions of Section 13.1.5 below.

13.1.3 Priority of Recourse Against Residential Unit Owners.

(a) Notwithstanding anything to the contrary contained in this Section 13.1 or in Section 13.2 below and without limiting the rights of the Residential Boards as set forth in their applicable Residential By-Laws, each Residential Board shall in the first instance have the exclusive right of enforcement with respect to, and to exercise any remedy or recourse as against, a Residential Unit Owner as to whom or which any Event of Default under Section 13.1.1(f) above exists. Such Residential Board shall, upon demand by the Condominium Board, use commercially reasonable efforts (and shall promptly, diligently and continuously attempt) to cause such defaulting Residential Unit Owner to cure such default (including, without limitation, through the exercise of all remedies available to the Residential Board under its applicable Residential By-Laws). However, an Event of Default shall in no event be deemed to exist with respect to a Residential Board by reason of any action or inaction by, or an Event of Default existing with respect to, a Residential Unit Owner within such Board's Residential Section (or such Board's action or inaction with respect to the enforcement or cure of the same).

(b) In the event the applicable Residential Board fails, within forty-five (45) days after demand is made of such Residential Board by the Condominium Board, to cause the Residential Unit Owner in question (as described in Section 13.1.3(a) above) to cure its Event of Default (or, if such Event of Default is such that the Residential Board cannot reasonably cause its Residential Unit Owner to cure the same within such forty-five (45) day period, the Residential Board fails, as promptly as practicable within such forty-five (45) day period, to commence, and thereafter to proceed with diligence and continuity, to cause such Residential Unit to cure its Event of Default), then the Condominium Board shall be entitled to exercise its right to cure any such Event of Default in accordance with the applicable provisions of the Declaration or these By-Laws.

13.1.4 Any of the notices permitted or required to be sent by or on behalf of the Condominium Board pursuant to this Section 13.1, may be sent by the Condominium's managing agent, if any, in the name of the Condominium Board.

13.1.5 Rights to Dispute Events of Default and Time Period to Commence Arbitrations Relating to Events of Default. Notwithstanding any of the foregoing or any other provision hereof, no Unit Owner or Board shall have the right to dispute that it has committed an Event of Default unless it

commences an Arbitration so disputing (a) with respect to any Monetary Event of Default, within thirty (30) days after the expiration of the fifteen (15) day notice period under Section 13.1.1(a), 13.1.1(b) or 13.1.1(c), whichever is applicable; (b) with respect to Non-Monetary Events of Default under Sections 13.1.1(d) and 13.1.1(e), within thirty (30) days after the expiration of the cure period set forth in the applicable notice described in Section 13.1.1(d) or 13.1.1(e) (or after the expiration of the cure period required to be set forth in such notice, if longer), whichever is applicable; and (c) with respect to Non-Monetary Events of Default under Section 13.1.1(f), within thirty (30) days after the Condominium Board notifies the Unit Owner or Board in writing that such Event of Default exists.

13.2 Condominium Board's Right to Cure.

13.2.1 When an Event of Default has occurred and for so long as it continues, the Condominium Board may (without the consent of the defaulting Board or defaulting Unit Owner (notwithstanding any other provision of the Condominium Documents which might otherwise require such consent and without notice other than as provided in this Article 13), subject to Section 13.1.3 above), but shall not be obligated to, pay the amount or perform or cause to be performed the obligation or otherwise cure or effect the cure of the default which is the basis for such Event of Default (including, for example, by means of causing Repairs or Alterations, or curing violations or removing or bonding mechanic's liens or otherwise as the Condominium Board shall deem appropriate), if the defaulting Unit Owner or Residential Board, as the case may be, shall after all other required notices and after receiving a further notice from the Condominium Board specifying the nature of the Event of Default, and stating "YOU ARE HEREBY NOTIFIED THAT THE CONDOMINIUM BOARD SHALL BE ENTITLED TO EXERCISE ITS RIGHTS TO CURE THE EVENT OF DEFAULT DESCRIBED HEREIN IF YOU DO NOT CURE OR (AS APPLICABLE UNDER SECTION __) COMMENCE THE CURE OF SAME, IN ACCORDANCE WITH ARTICLE 13 OF THE CONDOMINIUM BY-LAWS, WITHIN __ DAYS [to be specified by the Condominium Board but which shall not be less than seven (7) Business Days] AFTER YOUR RECEIPT OF THIS NOTICE, WHICH MAY ENTAIL, WITHOUT LIMITATION, ENTRY BY THE CONDOMINIUM BOARD OR ITS AGENTS UPON YOUR UNIT, LIMITED COMMON ELEMENTS AND EXCLUSIVE USE GENERAL COMMON ELEMENTS. AMONG OTHER THINGS, YOU WILL BE RESPONSIBLE FOR ALL COSTS INCURRED BY OR ON BEHALF OF THE CONDOMINIUM BOARD IN CONNECTION THEREWITH." fail to cure such circumstances giving rise to such Event of Default, or, if the condition giving rise to a Non-Monetary Event of Default is of a nature such that it cannot reasonably be cured within the period specified in such further notice and after so notifying the Condominium Board within such period, fail, as promptly as practicable within such period, to commence such cure and thereafter proceed with diligence and continuity to complete such cure (unless, notwithstanding the foregoing requirements, such condition giving rise to the Event of Default constitutes an Emergency, in which event only such prior notice as is practicable under the circumstances (which may be, but shall not be presumed to be, none) shall apply and if no prior notice is given, notice shall be given promptly thereafter). Such right on behalf of the Condominium Board to cure any such matters includes, without limitation, the right: (i) to enter the Unit, the Limited Common Elements or the Exclusive Use General Common Elements of the defaulting Unit Owner or Residential Board, as the case may be, in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner or Residential Board, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass; and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach. Any funds expended by the Condominium Board, together with interest at the Default Rate from the date of expenditure to the date of repayment, shall be reimbursed by the defaulting Unit Owner or Residential Board to the Condominium Board on demand and, if such defaulting Person shall be a General Common Charge Obligor, the same shall, for all purposes hereunder, constitute part of the General Common Charges payable by such Person.

13.2.2 Any Repairs or Alterations performed by the Condominium Board in accordance with the terms of this Section 13.2 shall be the sole responsibility of the Condominium Board with respect to the quality and the proper completion thereof, but the responsibility thereafter for maintenance and related obligations for such item or area shall remain with the Person who had that responsibility prior to such performance by the Condominium Board.

13.3 Default by Condominium Board; Performance by Non-Residential Unit Owners, Sub-Board or Residential Boards. In the event that the Condominium Board fails or neglects (other than to a *de minimis* extent) to perform any obligations (for which appropriate provision has been made in the then applicable Budget or for which an expenditure is otherwise specifically approved by the Condominium Board) with respect to the operation, maintenance, care, upkeep, Alteration or Repair of any part of the Building required to be operated, maintained, cared for, Altered or Repaired by the Condominium Board under the Condominium Documents, any Non-Residential Unit Owner, Sub-Board or Residential Board adversely affected by such failure or neglect (in such case, a "Performing Party") may, but shall not be obligated to, perform or cause to be performed, all such obligations (in accordance with any applicable provisions of the Condominium Documents with respect to approvals, etc.), if the Condominium Board shall fail: (i) within a period of time not less than thirty (30) days after notice is given to the Secretary of the Condominium Board and to each Condominium Board Member specifying the precise nature and scope of such obligation and default, making demand for performance and/or cure thereof and stating in bold print: "YOU ARE HEREBY NOTIFIED THAT THE CONDOMINIUM BOARD HAS FAILED TO FULFILL ITS OBLIGATIONS WITH RESPECT TO THE OPERATION, MAINTENANCE, CARE, UPKEEP, ALTERATION OR REPAIR OF THE BUILDING AS SET FORTH IN DETAIL IN THIS NOTICE. THE CONDOMINIUM BOARD'S FAILURE TO: (a) CURE THIS DEFAULT OR (AS APPLICABLE) TO COMMENCE THE CURE OF SAME, IN ACCORDANCE WITH ARTICLE 13 OF THE CONDOMINIUM BY-LAWS, OR (b) COMMENCE AN ARBITRATION DISPUTING THE DEFAULT HEREIN DESCRIBED, IN EACH CASE WITHIN __ DAYS [to be specified by the Person giving notice but which shall not be less than thirty (30) days] AFTER YOUR RECEIPT OF THIS NOTICE, SHALL ENTITLE US TO PERFORM SUCH OBLIGATION IN THE NAME OF THE CONDOMINIUM BOARD" (unless, notwithstanding the foregoing requirements, such alleged default constitutes an Emergency, in which case only such prior notice as is practicable under the circumstances (which may, but shall not be presumed to be, none) shall apply and if no prior notice is given, notice shall be given promptly thereafter), to either (x) cure (or if the default is of a nature such that it cannot reasonably be cured within the stated period (except in the case of an Emergency), commence to cure and thereafter proceed with diligence and continuity to complete such cure of) the alleged default or (y) dispute the existence of such alleged default and submit such dispute to Arbitration (and if the Condominium Board does not comply with either clause (x) or clause (y) of this sentence, it shall not have any further right to commence an Arbitration disputing the alleged default). All reasonable sums expended and costs and expenses incurred by the Performing Party in connection with the making or performing of any such operation, maintenance, care, upkeep, Alteration or Repair (to the extent within the scope of nature and scope of the work described in the notices provided to the Condominium Board as set forth above), together with interest thereon (at the Prime Rate for the first twenty days after demand for payment, and at the Default Rate thereafter), shall be immediately payable upon demand by the Condominium Board to the Performing Party; and shall otherwise be allocated to the Unit Owners, as a General Common Expense in the manner set forth in these By-Laws. The Performing Party shall have a right of offset against sums due to the Condominium Board with respect to amounts due from the Condominium Board as described in the preceding sentence.

13.4 Emergencies Caused by Unit Owners or Residential Board(s).

13.4.1 In the event that an Emergency exists as a result of: (i) the failure or neglect by a Unit Owner (or its Occupants or Permittees) or a Residential Board or the Condominium Board to

perform any obligation with respect to the operation, maintenance, care, upkeep or Repair of its Unit, Area, Section or General Common Elements (including Exclusive Use General Common Elements), as the case may be; (ii) a condition existing or an occurrence within a Unit or a Common Element, as the case may be; or (iii) the violation by a Unit Owner or a Board (or any Occupants or Permittees of a Unit Owner or a Board) of any of the Declaration, these By-Laws, any Residential By-Laws, any Sub-By-Laws or the General Rules and Regulations, if any, all the other Unit Owners and the Condominium Board and Residential Boards that are, or that have (or that have Occupants or Permittees that are or that have) Units, Common Elements, property or operations that are threatened or affected by such Emergency, shall have the right, but not the obligation, to enter that portion of the Property in or from which, or as to which, such Emergency exists and to perform or cause to be performed any such operation, maintenance, care, upkeep or Repair or otherwise take any reasonable action under the circumstances to summarily abate and remove, at the expense of the defaulting Unit Owner or Board, as the case may be, such Emergency, but in all events only to the extent reasonably and immediately necessary to do so (*i.e.*, until the Emergency no longer exists), and the party effecting such performance shall not thereby be deemed guilty or liable in any manner of trespass, provided that such party gives the defaulting Unit Owner or Board, as the case may be, such notice as is practicable under the circumstances (which may be, but shall not be presumed to be, none), which notice, to the fullest extent possible, shall describe the Emergency and the actions the party intending to effect performance intends to take, is taking, or has taken to abate such Emergency and further provided that such actions were taken only to the extent reasonably and immediately necessary to cause the Emergency no longer to exist. The reasonable costs and expenses incurred in connection with the making of any such maintenance, repair or replacement or the taking of any such action for which such applicable Unit Owner or Board, as the case may be, is or would be otherwise responsible, together with interest thereon (at the Prime Rate for the first twenty days after demand for payment, and at the Default Rate thereafter), shall be immediately payable upon demand by such Unit Owner or Board, as the case may be, to the Person effecting such performance (the "Curing Person"). The Condominium Board shall have a Condominium Board's Lien (hereinafter described) in respect of amounts owed pursuant to the preceding sentence as if the same were payable to the Condominium Board as part of the General Common Charges payable by such applicable Unit Owner or Residential Board, but such lien shall be held (and enforced) by the Condominium Board for the benefit of the Curing Person.

13.4.2 Any operation, maintenance, Repair or other action taken to abate and remove any such Emergency in accordance with the terms of this Section 13.4 shall be the sole responsibility of the Person taking such action with respect to the quality and the proper completion thereof (and such Person shall be liable for any and all damage caused thereby or in the course thereof and shall indemnify and hold the affected Boards, managing agents, and Unit Owner(s) harmless with respect to the same); except that the responsibility thereafter for maintenance and related obligations for the item or area repaired or replaced shall remain with the Person who had that responsibility prior to the Emergency.

13.5 Cure of Monetary Events of Default. In the event that a Monetary Event of Default shall occur, each Non-Residential Unit Owner, Residential Board and Sub-Board (for purposes of this Section 13.5, collectively, the "Paying Party" or "Paying Person") shall have the right (upon a Majority Member Vote of the Condominium Board but otherwise without the consent of the defaulting Unit Owner or Board and without notice except as otherwise provided in this Section 13.5), but not the obligation, to cure any such Monetary Event of Default by paying to the Condominium Board the entire amount then due and unpaid to the Condominium Board, provided that prior to making any such payment, the Paying Party shall give notice to the defaulting Unit Owner or Board, each such defaulting Unit Owner's Registered Mortgagee(s), the Secretary of the Condominium, and each Condominium Board Member of its intention to cure the defaulting Unit Owner's or the defaulting Board's Monetary Event(s) of Default if such Monetary Event of Default is not cured by such Person within thirty (30) days following receipt by the defaulting Unit Owner or Board of such notice from the Paying Person. Such notice shall identify and

detail the amounts proposed to be paid by the Paying Person and shall state in bold: "YOUR FAILURE TO PAY THE AMOUNTS CURRENTLY DUE TO THE CONDOMINIUM BOARD WITHIN THIRTY (30) DAYS FOLLOWING YOUR RECEIPT OF THIS NOTICE SHALL ENTITLE US, WITHOUT DECREASING ANY OF YOUR OBLIGATIONS IN RESPECT THEREOF, TO PAY SUCH AMOUNTS ON YOUR BEHALF AND TO COLLECT INTEREST FROM YOU IN ACCORDANCE WITH THE TERMS OF THE CONDOMINIUM BY-LAWS." Any funds so advanced by the Paying Person, together with interest at the Default Rate from the date of payment to the date of repayment, shall be reimbursed by the defaulting Unit Owner or Residential Board to the Paying Person; and the Condominium Board shall have a Condominium Board's Lien (hereinafter described) in respect of any such amount as if the same were payable to the Condominium Board as part of the General Common Charges payable by such defaulting Person, but such lien shall be held (and enforced) by the Condominium Board for the benefit of the Paying Person. The defaulting Unit Owner or Board, as the case may be, shall not have the right to dispute the obligation for, or the amount of, any payments made by the Paying Person under this Section 13.5 unless it commences an Arbitration with respect thereto no later than the last day of the thirty (30) day period set forth in the notice described in the second sentence of this Section 13.5.

13.6 Remedies in the Event of a Monetary Default.

13.6.1 The Condominium Board shall take prompt action to collect any General Common Charges or Special Assessments which remain unpaid (by a General Common Charge Obligor, including the owner of an Unsold Residential Unit) following notice and the expiration of applicable grace periods, including, without limitation, the institution of such actions and the recovery of interest and expenses as are provided in this Article 13.

13.6.2 The Condominium Board shall have a lien (the "Condominium Board's Lien") for all unpaid General Common Charges, Special Assessments, other sums payable as if part of General Common Charges or amounts otherwise due to the Condominium Board (together with interest thereon as provided in Section 13.6.4) from a delinquent Non-Residential Unit Owner or from the owner of any Unsold Residential Units with respect to such Units. Such lien(s) shall be: (a) superior to, in the case of a Non-Residential Unit, any mortgage liens of record encumbering such Unit; (b) subordinate to, in the case of any Unsold Residential Unit(s), any liens in favor of the Construction Lender or the applicable Residential Board(s); and (c) except as otherwise hereinabove provided, otherwise subordinate only to (1) liens for real estate taxes and other assessments by taxing authorities on any such Units and (2) with respect to the Performing Arts Unit only, that certain Declaration of Restrictive Covenant, to be executed and delivered by the Performing Arts Unit Owner in favor of the City and substantially in the form of Exhibit 13.6.2 attached hereto, that is contemplated to be recorded immediately after the recording of the deed conveying the Performing Arts Unit to the Performing Arts Units Owner (the "City Declaration") (provided that in no event shall the Condominium Board be liable to the City for monetary damages under the City Declaration). Without limiting any of the foregoing, the Condominium Board may: (w) bring an action to foreclose the Condominium Board's Lien in accordance with Section 339-aa of the Real Property Law; (x) purchase the interest of the owner of such Non-Residential Unit or Unsold Residential Unit at a foreclosure sale resulting from any such action; (y) proceed by appropriate judicial proceedings to enforce the specific performance or observance by the defaulting General Common Charge Obligor of the applicable provisions of the Declaration or these By-Laws from which the Monetary Event of Default arose; or (z) exercise any other remedy available at law or in equity; however, in the event the net proceeds received on a foreclosure sale are insufficient to satisfy the defaulting Unit Owner's obligations, there shall be no further cause of action against such Non-Residential Unit Owner or owner of an Unsold Residential Unit with respect to such deficit. Each of the remedies herein described as well as any other remedy available at law or in equity may be exercised concurrently or sequentially. Any Registered Mortgagee may bid in a foreclosure sale of any Unit.

13.6.3 The Condominium Board shall not record any notice of any Condominium Board's Lien prior to the date on which all applicable notice and grace periods (including cure periods to which any Registered Mortgagee may be entitled) in respect of the default(s) giving rise to the Condominium Board's Lien have expired. Subject to the requirements with respect to notice, grace and cure periods set forth in the preceding sentence, the pendency of an Arbitration with respect to the obligations giving rise to any such lien shall not serve to prevent the Condominium Board from recording any Condominium Board's Lien; however, no proceedings or filings in furtherance thereof (other than as may be required in order to preserve the validity and priority of the lien so recorded) shall be had or made, as the case may be, until the resolution of the Arbitration with respect thereto, and to the extent it shall be determined in Arbitration that the Condominium Board was not entitled to record all or any portion of such Condominium Board's Lien, the Condominium Board shall, as promptly as practicable following such determination and at the Condominium Board's expense, cause its Condominium Board's Lien (or portion thereof) to be released and discharged. The Condominium Board's Lien shall be effective from and after the time of recording in the public records of New York County of a claim of lien stating the description of the Unit, the name, if any, and the address of the Unit, the liber and page of record of the Declaration, the name of the record owner, the amount due and purpose of such amount and the date when due. Subject to the penultimate sentence of Section 13.6.4 hereof, such claim of lien shall include only sums which are due and payable when the claim of lien is recorded and shall be signed and verified by an officer or agent of the Condominium Board. Upon full payment of all sums evidenced by the lien including, without limitation, interest at the Default Rate, the party making payment shall be entitled to a recordable satisfaction of lien to be recorded at its expense. Liens for unpaid General Common Charges may also be reduced to a personal money judgment against the Unit Owner or may be foreclosed by suit brought in the name of the Condominium Board or the Unit Owner asserting the lien in the same manner as a contract or other action (and without waiving the lien securing the same); provided, however, that no Unit Owner shall be liable to the Condominium Board for any deficiency with respect to a Unit owned by such Unit Owner and upon which the Condominium Board has foreclosed its Condominium Board's Lien. In the event of the foreclosure of such lien, the Condominium Board shall have the power to bid on the Unit at foreclosure sale and to acquire, hold, lease, mortgage and convey such Unit.

13.6.4 The Condominium Board shall charge any delinquent General Common Charge Obligor: (i) a late charge of \$.04 for each dollar of such amounts which remain unpaid for more than ten (10) days from their initial due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid); (ii) interest at the Default Rate on such unpaid amounts (exclusive of any "late charges" theretofore collected on such amounts) computed from the due date thereof to the date payment is actually received from the delinquent General Common Charge Obligor; and (iii) if the Condominium Board institutes a suit or other proceeding to collect sums due hereunder, all expenses, including, without limitation, attorneys' fees and expenses paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid General Common Charges or in an action to foreclose a Condominium Board's Lien with respect to such delinquent Person's Unit(s). All such late charges, interest, expenses and fees shall be added to and shall constitute General Common Charges payable by such General Common Charge Obligor (and the Condominium Board's Lien, as applicable, shall also secure the payment of such additional sums). A suit to recover a money judgment for unpaid General Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges.

13.7 Grantee Liable for Unpaid General Common Charges; Statement of Defaults.

(a) Subject to the provisions of Section 13.7(c) below, to the extent applicable, upon any voluntary conveyance of a Non-Residential Unit or Unsold Residential Unit (other than in connection with a deed-in-lieu to the Condominium Board or the Condominium Board's

designee), the grantee of such Non-Residential Unit shall (subject to the proviso clause of the penultimate sentence of Section 13.6.3 above) be liable for all unpaid General Common Charges pertaining to such Unit (which Unit shall continue to be subject to any Condominium Board's Lien existing as of the date of such conveyance), whether accrued and in respect of the period up to and including the date of such conveyance or in respect of the period following conveyance, but without prejudice to any right of the grantee to recover from the grantor any amounts paid by the grantee.

(b) Any General Common Charge Obligor may request from the Condominium Board for the benefit of a prospective purchaser, lender or Occupant, or otherwise, a statement: showing the amount of unpaid General Common Charges pertaining to such General Common Charge Obligor; stating whether there exists any known default under the Declaration or these By-Laws by the requesting Person, and if there are known defaults, specifying the nature thereof; stating the date and recording information of any amendments to the Declaration and these By-Laws, and stating whether the Declaration and these By-Laws are in full force and effect; and the Condominium Board shall provide such statement within ten (10) Business Days after request therefor. The Condominium Board shall be entitled to charge the requesting General Common Charge Obligor a reasonable fee for preparing and rendering said statement. Any Registered Mortgagee may request a similar statement with respect to a Unit upon which it holds a Registered Mortgage, with any reasonable charge therefor to be paid by the applicable Unit Owner. From time to time, the Condominium Board may request a statement from each General Common Charge Obligor, that, except as may be otherwise specified, the Condominium Board is not in default under any of its obligations under the Declaration or these By-Laws, and such other reasonable information as may be reasonably requested. The addressee of any such statement shall be entitled to rely thereon; and each statement delivered pursuant to this Section 13.7 shall act as a waiver of any claim between the addressee and the Condominium Board or Person furnishing such statement to the extent such claim is based upon facts contrary to those asserted in the statement and to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts to the contrary of those contained in the statement, and who has acted in reasonable reliance upon the statement provided, however, that: (i) the issuance of such statement shall in no event subject the Condominium Board to any liability for the negligent or inadvertent failure of the Condominium Board to disclose correct and/or relevant information and (ii) such issuance shall not be construed to waive any rights of the issuer with respect to any audit of or adjustments to General Common Charges as provided for in the Condominium Documents, or to challenge acts committed by a Unit Owner for which approval by or consent of the Condominium Board was required but not sought or obtained.

(c) If a Registered Mortgagee or other purchaser of an Unsold Residential Unit acquires title to such Unsold Residential Unit as a result of a foreclosure of a Registered Mortgage or by deed or assignment in lieu of foreclosure, subject to Section 13.6 hereof, such acquirer of title, its successors and assigns, shall not be liable for the General Common Charges imposed by the Condominium Board pertaining to such Unsold Residential Unit or chargeable to the former Unsold Residential Unit Owner which became due and payable prior to acquisition of title as a result of the foreclosure or by deed or assignment in lieu of foreclosure; however, such acquirer of title shall be liable for those General Common Charges accruing or in respect of the period while it is the Unit Owner (including, without limitation, installments thereof which were not yet due and payable by the prior Unit Owner).

13.8 Title of Condominium Board on Foreclosure. Subject to Section 14.5 of these Condominium By-Laws, in the event of the Condominium Board's purchase of any Non-Residential Unit or Unsold Residential Unit at a foreclosure sale, or in the event that any Non-Residential Unit Owner or the Initial Residential Grantee shall convey its Unit to the Condominium Board in accordance with Section 339-X of the Real Property Law, title to such Non-Residential Unit or Unsold Residential Unit shall be held by the Condominium Board or its designee on behalf of all Unit Owners, and the

Condominium Board shall have the power to hold, lease, mortgage, sell or otherwise deal with (but not vote the Common Interest appurtenant to) such Unit. No foreclosure sale of the Performing Arts Unit shall affect any covenants and restrictions of record otherwise applicable with respect to the use thereof.

13.9 Residential Unit Owners. The provisions of the respective Residential By-Laws provide for the remedies of the applicable Residential Board in the event of a failure by a Residential Unit Owner to pay the Residential Common Charges assessed against its Residential Unit (which Residential Common Charges include a portion of the General Common Charges allocated to its Residential Section by the Condominium Board).

ARTICLE 14

SALES, LEASES AND MORTGAGES OF UNITS

14.1 Sales, Leases and Mortgages of Residential Units. The provisions of the applicable Residential By-Laws, to the extent not in conflict with the Declaration and these By-Laws, shall govern the sale, leasing and mortgaging of the Residential Units; except that, notwithstanding the foregoing, the Initial Residential Grantee and/or its designee(s), shall have the right, at any time, in its sole discretion and without the consent of any Person, to sell, assign or otherwise transfer, lease (subject to Section 8.2.2 of the Declaration) or encumber any Unsold Residential Unit(s), whether by merger, consolidation, sale, lease, mortgage, assignment or otherwise.

14.2 Sales, Leases and Mortgages of Non-Residential Units. Any Non-Residential Unit Owner, with respect to its Non-Residential Unit, may, without the prior consent of the Condominium Board, any Residential Board, or any other Unit Owner, sell, assign or otherwise transfer, lease or encumber its Non-Residential Unit (whether by merger, consolidation, sale, lease, mortgage, assignment or otherwise, but subject to the restrictions on use and leasing provided herein or in any other of the Condominium Documents); provided, however, that: (i) no lien to secure repayment of any sum borrowed may be created on any other Unit without the prior written consent of the owner of such other Unit or on any of the Common Elements (as opposed to the applicable Unit Owner's undivided interest therein) without the prior written consent of all affected Boards and Unit Owners; (ii) no Unit Owner (other than such borrowing Unit Owner), nor any Board, will be liable for repayment of any portion of any such loan, unless all such Unit Owner(s) and Boards, as applicable, otherwise so agree in writing; and (iii) any sale, lease or mortgage of all or any portion of the Performing Arts Unit shall, without limitation, be in compliance with the Restrictions Instrument.

14.3 Registered Mortgagee Requirements; Rights of Registered Mortgagees. (a) The term "Registered Mortgage" as used herein shall mean a mortgage, as the same may be amended, modified or restated from time to time, given to secure the repayment of money or other obligation owed by a Non-Residential Unit Owner or the Initial Residential Grantee: (i) which shall comply with the provisions of this Article 14; and (ii) a true and correct copy of such mortgage has been delivered to the Secretary of the Condominium Board, together with a certification by the indebted Unit Owner or the mortgagee confirming that such copy is a true and correct copy of the mortgage in question. The term "Registered Mortgage" shall also include the mortgages held by GMAC Commercial Mortgage Corporation as agent encumbering the Property as of the date of recording of the Declaration, as each mortgage may be increased, amended, restated, modified, split, severed and assigned (except for any assignment in connection with a refinancing) from time to time (each, a "Construction Loan Mortgage"). In the event of any assignment of a Registered Mortgage or in the event of a change of address of a Registered Mortgagee or of an assignee of such Registered Mortgage, notice of the new or changed name and address shall be provided to the Secretary of the Condominium Board. The term "Registered Mortgagee"

as used herein shall mean the record holder of a Registered Mortgage from time to time (subject to the preceding sentence). All Registered Mortgages shall be deemed to include (whether or not such mortgage in fact includes) an express provision acknowledging: (y) that the lien of such mortgage is and shall be subordinate to the Declaration and these By-Laws (and the provisions thereof and hereof) and to the Condominium Board's Lien(s) (except, in the case of each Construction Loan Mortgage, with respect to Condominium Board Liens on Unsold Residential Units); and (z) that the mortgagee (and its successors and assigns) will take title (whether by foreclosure, deed-in-lieu of foreclosure or otherwise) subject to the Declaration and these By-Laws.

(b) If a Non-Residential Unit Owner or the Initial Residential Grantee, as the case may be, or its Registered Mortgagee shall have served on the Secretary of the Condominium Board, as described in the preceding subparagraph, a notice ("RM Notice") specifying the name and address of such Registered Mortgagee, such Registered Mortgagee shall be given a copy of each and every notice of the occurrence of a default or an Event of Default (including, without limitation, all notices (including notices that the Condominium Board or another Person intends to cure an Event of Default) described in Sections 13.1, 13.2, 13.4 and 13.5 hereof) required or permitted to be given to such Registered Mortgagee's mortgagor pursuant to the Declaration or these By-Laws and each Final Operating Statement at the same time as and whenever such notice shall thereafter be given thereunder or hereunder, at the address last furnished by the applicable Non-Residential Unit Owner, Initial Residential Grantee or Registered Mortgagee. After receipt of an RM Notice from a Non-Residential Unit Owner, Initial Residential Grantee or Registered Mortgagee, no notice of the occurrence of a default or an Event of Default thereafter given with respect to such Registered Mortgagee's mortgagor under the Declaration or these By-Laws by the Condominium Board (or any other party entitled to give such notice) shall be effective as to such Registered Mortgagee unless and until a copy thereof shall have been so given to the Registered Mortgagee(s). If a Registered Mortgage so provides or otherwise requires, then any insurance proceeds or condemnation award payable to a Non-Residential Unit Owner or the Initial Residential Grantee pursuant to the provisions hereof shall, upon notice from a Registered Mortgagee of such mortgagor, be delivered instead to such Person's Registered Mortgagee but applied as provided in the applicable provisions hereof (including, without limitation, Section 12.10) and of the Declaration. For purposes of this Section 14.3(b), GMAC Commercial Mortgage Corporation shall be deemed to have given an RM Notice with respect to each Construction Loan Mortgage specifying the same addresses that are set forth in the documents governing such mortgages.

(c) If more than one Registered Mortgagee having a lien on any Non-Residential Unit or Unsold Residential Unit has exercised any of the rights afforded by this Section 14.3, only that Registered Mortgagee, to the exclusion of all other Registered Mortgagees, whose Registered Mortgage is most senior in priority of lien with respect to such Non-Residential Unit or Unsold Residential Unit (the "Senior RM") shall be recognized by the other Unit Owner(s), the Residential Boards, and the Condominium Board as having exercised such right, for so long as such Registered Mortgagee shall be diligently exercising its rights hereunder with respect thereto; provided, however, that by written notice to the Condominium Board, such Registered Mortgagees may designate one of them which is not most senior in priority to be deemed the Senior RM for purposes of this Section 14.3(c).

(d) Each Registered Mortgagee shall have the right, but not the obligation, to cure any Event of Default by such Registered Mortgagee's mortgagor. The Condominium Board, each Residential Board and all Unit Owners shall accept performance by a Registered Mortgagee (or its designee or nominee) of any covenant, condition or agreement on the part of a Non-Residential Unit Owner or the Initial Residential Grantee to be performed hereunder with the same force and effect as though performed by such Registered Mortgagee's mortgagor, even if such performance is after the applicable time period set forth in clause (e) below.

(e) Notwithstanding any other provision of the Declaration or these By-Laws to the contrary, upon the occurrence of an Event of Default by a Non-Residential Unit Owner or the Initial Residential Grantee, no remedies contemplated under the Condominium Documents (other than the remedies set forth in Sections 13.4.1 and 13.5 hereof and, unless clause (2) of this sentence applies and the applicable Non-Monetary Event of Default is not an Event of Default under Section 13.1.1(d) or Section 13.1.1(e) hereof, the remedies set forth in Section 13.2.1 hereof) shall be exercised by any Board or Unit Owner with respect thereto if a Registered Mortgagee of such Non-Residential Unit Owner or the Initial Residential Grantee shall (1) with respect to a Monetary Event of Default, within thirty (30) days following its receipt of any notice to the effect that a Monetary Event of Default has occurred with respect to its mortgagor, cure (or cause to be cured) such Monetary Event of Default, (2) with respect to any Non-Monetary Event of Default that is reasonably capable of being cured without owning or controlling the applicable Unit, within thirty (30) days following its receipt of any notice to the effect that such Non-Monetary Event of Default has occurred with respect to its mortgagor (a "Default Notice"), cure (or cause to be cured) such Non-Monetary Event of Default, or (3) with respect to any Non-Monetary Default in respect of which ownership or control of the applicable Unit is reasonably necessary to cure the Non-Monetary Event of Default in question, within ninety (90) days following its receipt of a Default Notice with respect thereto, commence to cure (or cause to be cured) the applicable Non-Monetary Event of Default, which cure may consist solely of exercising diligent efforts to obtain ownership or control of the applicable Units, and then diligently and continuously pursue such cure until completion.

(f) In addition, notwithstanding any provision hereof to the contrary, if one or more Events of Default have occurred with respect to a Non-Residential Unit Owner or the Initial Residential Grantee, but such defaulting Person's Registered Mortgagee is taking the actions described in the preceding subparagraph (e) (as and when provided therein) with respect to, and/or has cured, each such Event of Default, then: (i) the Registered Mortgagee shall be entitled to replace and designate the Board Member that such defaulting Non-Residential Unit Owner or Initial Residential Grantee would otherwise have been entitled to designate, as if such Registered Mortgagee were the Designator thereof; (ii) the Registered Mortgagee shall be entitled to vote at all Unit Owners Meetings the Common Interest that the Non-Residential Unit Owner or Initial Residential Grantee would otherwise have been entitled to vote thereat and to give any consent or approval that its mortgagor could have given, which shall be granted or withheld under the same terms as are applicable to its mortgagor, as if such Registered Mortgagee were its mortgagor; and (iii) the Condominium Board shall rely (and be entitled to rely) on the votes of or actions taken by the Registered Mortgagee or the Board Member designated by it in determining the appropriateness of any action to be taken. The rights of a Registered Mortgagee under the preceding sentence shall remain in effect until the Secretary of the Condominium receives the written notice described in the last sentence of Section 2.9.5 hereof and the last sentence of Section 3.7 hereof. Payment or performance of any obligation of a Non-Residential Unit Owner or Initial Residential Grantee by a Registered Mortgagee (prior to the date on which such Registered Mortgagee or its assignee or designee or nominee shall take title to the defaulting Unit Owner's Unit) shall not give rise to any obligation on the part of the Registered Mortgagee to continue to pay or perform in the future.

14.4 No Severance of Ownership. No Non-Residential Unit Owner shall execute any mortgage or other instrument conveying or mortgaging title to its Non-Residential Unit without including therein its entire Common Interest appurtenant to such Unit. Any such mortgage or deed or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. Nothing in this Section 14.4 shall prohibit the lease of all or any portion of a Non-Residential Area without the simultaneous lease of its appurtenant Common Interest.

14.5 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common; Waiver of Right of Surrender. (a) In the event that any Non-Residential Unit Owner or the Initial Residential Grantee shall convey its Non-Residential Unit or Unsold Residential Unit, as the case may be, to the Condominium Board in accordance with Section 339-X of the Real Property Law, or any Non-Residential Unit or Unsold Residential Unit shall be acquired by the Condominium Board or its designees (either at a foreclosure sale or otherwise) on behalf of all Unit Owners as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

(b) Each Non-Residential Unit Owner and the Initial Residential Grantee shall be deemed to have waived any and all right to surrender its Non-Residential Unit or Unsold Residential Unit, as the case may be (in each case, together with its Appurtenant Interests), to the Condominium Board.

ARTICLE 15

ARBITRATION

15.1 General Procedure; Time Period for Commencement of Arbitrations.

15.1.1 Except as may otherwise be expressly provided in the Condominium Documents, any dispute, controversy or claim between or among any one or more of the Condominium Board, Residential Boards, Sub-Boards (if any) and Unit Owners arising out of or concerning the Condominium Documents or any other matter which the Condominium Documents provide shall be settled in "Arbitration" (each, for purposes of this Article, a "Dispute"), shall be determined and resolved by arbitration (and not by litigation) conducted in the City and County of New York in accordance with the terms of this Article 15 and the then applicable expedited commercial arbitration rules of the American Arbitration Association (the "AAA"), provided that if and to the extent that the terms of this Article differ from or conflict with the then applicable expedited commercial arbitration rules, the arbitration shall be governed in accordance with and pursuant to the terms and provisions of this Article (each such proceeding, an "Arbitration"). Nothing in this Article or elsewhere in the Condominium Documents shall (unless otherwise expressly provided) require Arbitration of any dispute between: (a) any Residential Board(s), Sub-Board(s) (if any), Unit Owner(s) and the Condominium Board on the one hand; and (b) any third-parties (including, without limitation, mortgagees, tenants, insurers and managing agents) on the other.

15.1.2 The intent of this Article 15 is to simplify and expedite the resolution of any Dispute; and accordingly, all such Disputes, to the fullest extent possible, shall be determined in accordance with the expedited, modified "baseball"-type arbitration provisions set forth in Section 15.3.1 below. However, with due recognition that not all such Disputes are amenable to complete resolution utilizing such arbitration procedures, other and further arbitration procedures are set forth in Section 15.3.2 to resolve Disputes requiring the same for complete resolution. In all events, however, every Arbitration shall be conducted in as expedited a manner as is practicable under the circumstances and each party thereto shall cooperate in good faith toward such end.

15.1.3 Supplementing the first sentence of Section 15.1.1 hereof, and subject to clause (2) of Section 15.9 hereof and except as may otherwise be expressly provided in these Condominium By-Laws (including Sections 11.2.2 and 13.1.5) and the Declaration, any dispute with respect to whether any Board or Unit Owner shall be entitled to make any determination (or whether any Board or Unit Owner shall have a right of approval with respect to any determination) shall be settled by

Arbitration; provided, however, that except as may otherwise be expressly provided in these Condominium By-Laws and the Declaration, no such dispute shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board or the other party/ies asserting the right to make such determination within sixty (60) days after receipt of (in the case of the Condominium Board, actual written) notice of such determination (or assertion of the right to make the same) by the Condominium Board or other party/ies.

15.2 Request for Arbitration; Selection of Arbitrator.

15.2.1 The Person invoking the procedures set forth in this Article (the "Requesting Party") shall give notice (an "Arbitration Notice") to the other party/ies to the Dispute (*i.e.*, to the other Unit Owner(s) involved in the Dispute, if any, and/or to the Condominium Board and/or Residential Boards and/or Sub-Boards, as applicable; each, a "Disputing Party"; together with the Requesting Party, the "Disputing Parties") with a copy to the Condominium Board, each Non-Residential Unit Owner and each Residential Board and any Sub-Board, which Arbitration Notice shall: (a) request that the Dispute be submitted to Arbitration; (b) set forth with particularity the nature of the Dispute sought to be arbitrated; (c) identify, in the reasonable judgment of the Requesting Party, whether the Dispute is a Simple Dispute or a Complex Dispute (hereinafter defined); (d) describe the nature of the outcome sought (*e.g.*, a determination that an adjoining Unit is not being maintained in accordance with Project Standards); (e) identify any Person(s) reasonably likely to be affected by the outcome (whether or not such other Person(s) is/are Disputing Party/ies); and (f) state that the Requesting Party desires to meet within ten (10) days after the giving of the Arbitration Notice with the other Disputing Party/ies to attempt to agree on a single arbitrator (the "Arbitrator") to resolve the Dispute described in the Arbitration Notice. Any Person who or which, within such ten (10) day period, gives notice to each of the Disputing Parties, with a copy to the Condominium Board, each Non-Residential Unit Owner, each Residential Board and any Sub-Board, that it is intervening in the Arbitration, shall have the right to so intervene and shall thereafter be deemed to be an additional "Disputing Party". The Disputing Parties shall also attempt to agree on whether the Dispute is a Simple Dispute or a Complex Dispute. Absent agreement, unless the Arbitrator decides otherwise, the Dispute shall be deemed a Simple Dispute. If the Disputing Parties have not resolved the Dispute or agreed on a single Arbitrator within fifteen (15) days after the initial giving of the Arbitration Notice, then any Disputing Party (including the Requesting Party) may apply to the New York City office of the AAA, or, if the AAA shall not then exist or shall fail, refuse or be unable to act such that the Arbitrator is not appointed by the AAA within thirty (30) days after application therefor, then any Disputing Party (including the Requesting Party) may apply to the presiding judge of the highest court of appellate jurisdiction located in the County of New York (the "Court") for the appointment of the Arbitrator and none of the Disputing Parties shall raise any question as to such Court's full power and jurisdiction to entertain the application and make the appointment. The date on which the Arbitrator is appointed, by agreement of the Disputing Parties, by appointment by the AAA or by appointment by the Court, is referred to herein as the "Appointment Date." If any Arbitrator appointed hereunder shall be unwilling or unable, for any reason, to serve, or continue to serve, a replacement shall be appointed in the same manner as the original Arbitrator. The giving of an Arbitration Notice shall be deemed to be the commencement of the Arbitration by the Disputing Party for purposes of the provisions hereof and of the Declaration that require that an Arbitration be commenced by a specified date.

15.2.2 Each Arbitrator shall be disinterested and impartial, shall not be affiliated with any Disputing Party nor otherwise engaged by any Disputing Party or any Affiliate of any Disputing Party, and shall have at least ten (10) years' experience with the matter which is the subject of the Arbitration.

15.2.3 Before hearing any testimony or receiving any evidence, the Arbitrator shall agree to hear and decide the controversy faithfully and fairly and a written copy of such agreement shall be delivered to each Disputing Party.

15.2.4 As used in this Article 15:

(a) A "Simple Dispute" means: (i) a Dispute between two Disputing Parties where the outcome will affect only such two Disputing Parties (e.g., where a Unit Owner claims to have a right of approval with respect to an Alteration proposed by another Unit Owner); or (ii) a Dispute involving more than two Disputing Parties where the outcome with respect to any two of the Disputing Parties may be determined without effect on the outcome with respect to other Disputing Parties (e.g., where more than one Unit Owner claims to have a right of approval with respect to an Alteration proposed by another Unit Owner; each claim of such right may be determined without risk of inconsistency with any determination regarding any other Person asserting the same right).

(b) A "Complex Dispute" means a Dispute between two or more Disputing Parties, where the outcome will directly or indirectly affect other Persons (e.g., a Dispute with respect to allocation of a certain General Common Expense; a reduction in the assessment therefor against one General Common Charge Obligor will increase the allocation of all other General Common Charge Obligors).

15.3 Conduct of Arbitration Proceeding.

15.3.1 Simple Arbitrations. Arbitration of a Simple Dispute shall be conducted in accordance with the then applicable expedited commercial arbitration rules of the New York City office of the AAA, modified as follows:

(a) Within fifteen (15) days after the Appointment Date, each Disputing Party shall deliver to the Arbitrator two (2) copies of its written proposed determination with respect to the matter being arbitrated (a "Simple Determination") together with any evidence, documentation, or other materials supporting the same. After the submission of such Determination, the submitting Person may not make any additions to or deletions from, or otherwise change, such Determination. If any Disputing Party fails to deliver its Determination within such time period, and within five (5) days following notice by the Arbitrator stating that failure to deliver a Determination within such five-day period shall preclude the submission of same, time being of the essence with respect thereto, such Disputing Party shall be deemed to have irrevocably waived its right to deliver a Determination. If as a result of such deemed waiver, only one Determination has then been submitted, the Arbitrator, without holding a hearing, shall accept the Determination submitted. If no Disputing Party shall have timely delivered a Determination, then the Arbitration shall be deemed terminated. If, after any deemed waiver(s) for failure to deliver a Determination, more than one Disputing Party has timely submitted a Determination, then the Arbitrator shall, within three (3) days after its receipt of the Determination(s), deliver a copy of each Determination (together with the materials submitted in support thereof) to the other Disputing Party/ies except as otherwise provided in paragraph (b) below.

(b) Within five (5) days after the Arbitrator receives all of the submitted Determinations (the "Submission Date"), the Arbitrator shall review the same and determine whether the Dispute is, in fact, a Simple Dispute or should be arbitrated as a Complex Dispute. If the Arbitrator determines that the Dispute is a Simple Dispute, the succeeding provisions of this Section 15.3.1 shall apply. If the Arbitrator determines that the Dispute is a Complex Dispute, the Arbitrator shall send a notice of such determination to each Disputing Party; and the Arbitrator may also advise the Disputing Parties that the Determinations previously submitted will not be delivered to the other Disputing Parties.

and/or must be amended (with respect to matters of form or subject matter) so that a complete resolution of the Complex Dispute may be achieved. The Arbitrator's determination regarding the type of Dispute shall be binding on each Disputing Party. Unless all Disputing Parties in any particular Dispute otherwise agree, there shall be only one Arbitrator. Any Simple Dispute converted to a Complex Dispute in accordance with this Section shall be determined in accordance with the procedures set forth in Section 15.3.2 below and the provisions of paragraphs (c) and (d) of this Section 15.3.1 shall not apply.

(c) Not more than fifteen (15) days after the Submission Date, and upon not less than seven (7) days' notice to the Disputing Parties, the Arbitrator shall hold one or more hearings with respect to the Simple Dispute. The hearings shall be held in the City of New York, at such location and time as shall be specified by the Arbitrator. Each of the Disputing Parties shall be entitled to present evidence and to cross-examine witnesses at the hearings subject to any limitations thereon deemed appropriate by the Arbitrator. Such limitations may include, among other things, precluding the presentation of any evidence not submitted by the proffering Disputing Party together with its Determination. The Arbitrator shall have the authority to adjourn any hearing to such later date as the Arbitrator shall specify, provided that in all events all evidence shall be submitted and all hearings shall be concluded not later than thirty (30) days after the Submission Date.

(d) The Arbitrator shall be instructed, and shall be empowered only, to select the Simple Determination(s) which the Arbitrator believes is/are the more (or most, as the case may be) accurate determination of the matter which is the subject of the Arbitration. Without limiting the generality of the foregoing, in rendering his or her decision, the Arbitrator shall not add to, subtract from or otherwise modify the provisions of the Condominium Documents or any of the Simple Determinations.

(e) The Arbitrator may grant injunctive or other relief.

15.3.2 Complex Disputes. Arbitration of a Complex Dispute shall be conducted in accordance with the then applicable expedited commercial arbitration rules of the New York City office of the AAA, modified as follows:

(a) The Arbitration shall commence within thirty (30) days after the Appointment Date (the "Commencement Date").

(b) The last Arbitration hearing shall be held within twenty-five (25) days after the first Arbitration hearing.

(c) Not more than fifteen (15) days after the Commencement Date, and upon not less than seven (7) days' notice to the Disputing Parties, the Arbitrator shall hold one or more hearings with respect to the Complex Dispute. The hearings shall be held in the City of New York, at such location and time as shall be specified by the Arbitrator. Each of the Disputing Parties shall be entitled to present evidence and to cross-examine witnesses at the hearings subject to any limitations thereon deemed appropriate by the Arbitrator. The Arbitrator shall have the authority to adjourn any hearing to such later date as the Arbitrator shall specify, provided that in all events all evidence shall be submitted and all hearings shall be concluded not later than thirty (30) days after the Commencement Date.

(d) The Arbitrator may grant injunctive or other relief.

15.3.3 Rendering the Arbitration Determination(s).

(a) The Arbitrator shall render his/her selection of Determination(s), in the case of a Simple Dispute, within seven (7) days; and shall render its determination, in the case of a Complex Dispute, within twenty (20) days, in each case after the conclusion of the hearing(s) required by Section 15.3.1 or 15.3.2, as applicable. The same shall be rendered in a signed and acknowledged written instrument, original counterparts of which shall be sent simultaneously to all of the Disputing Parties.

(b) The Arbitration decision, determined as provided in this Section 15.3, shall be conclusive and binding on the Disputing Parties and any other Party who or which received the notices provided for in this Article; shall constitute an "award" by the Arbitrator within the meaning of the AAA rules and applicable Laws; and judgment may be entered thereon in any court of competent jurisdiction.

15.4 Fees and Costs. Except as may otherwise be provided in the Condominium Documents in any particular instance:

(a) Each Disputing Party shall bear the fees and expenses of its counsel, consultants, other professionals and expert witnesses in connection with any Arbitration; however, all such costs and expenses paid or incurred by the Condominium Board in connection with any Arbitration shall constitute a General Common Expense (or as otherwise provided in this Article or in the Condominium Documents).

(b) In any Simple Dispute, the fees, costs and expenses of the Arbitrator shall be borne (equally, as applicable) by the Disputing Party/ies in the Arbitration whose Determination(s) was/were not accepted.

(c) In any Complex Dispute, as part of the Arbitrator's award, the Arbitrator shall make a fair allocation between the Disputing Parties, or to any one Disputing Party, of the Arbitrator's fees and the expenses of the Arbitration, taking into account the merits of each Disputing Party's claims and defenses, and if the Arbitrator determines that any Disputing Party's claims or defenses were without merit, the Arbitrator may direct the Disputing Party making such meritless claims or defenses to pay such amount as damages to the other Disputing Party/ies as the Arbitrator may determine.

15.5 Limitation on Power of Arbitrators. The Arbitrator shall apply the law of the State of New York without regard to conflicts of laws principles and shall have no power to vary or modify any of the provisions of the Condominium Documents or Rules and Regulations (except to the extent the issue of whether any of the Rules and Regulations are inconsistent with any of the provisions of the Condominium Documents is the subject of the applicable Arbitration), and his/her powers and jurisdiction are hereby limited accordingly. In no event shall any Board or Unit Owner seek (or shall the Arbitrator award) punitive, special or exemplary damages or, as against the Condominium Board, consequential damages, and the power of the Arbitrator shall be so limited.

15.6 Agreement by Parties.

15.6.1 By unanimous agreement of all parties to a dispute required or permitted to be submitted to Arbitration, such parties may vary the provisions of this Article 15 or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

15.6.2 This Article shall constitute a written agreement pursuant to any applicable statute to submit any Dispute to Arbitration.

15.7 No Evidentiary or Preclusive Effect. Except as between or among the Disputing Parties (or any other Person bound by any determination as herein provided), or otherwise in connection with the enforcement of the matters covered by the determination therein, no determination or other finding in an Arbitration may be used as *res judicata* against any Disputing Party (or other Person) in connection with any claim, suit or cause of action brought by any third party.

15.8 Binding Effect. With respect to all matters required by the Condominium Documents to be resolved in Arbitration, subject to Section 15.1.1, each Person bound by the terms of the Condominium Documents shall be deemed to have waived any and all rights such Person may at any time have to revoke their consent under the Condominium Documents to submit to Arbitration and to abide by the decision rendered therein, and agrees that a judgment or order may be entered in any court of competent jurisdiction based on an Arbitration award.

15.9 Exclusions from Arbitration. Notwithstanding any provision of the Condominium Documents to the contrary, the following disputes or matters shall not be subject to Arbitration:

- (1) any dispute regarding any indemnity claim for property damage and/or personal injury;
- (2) where an approval or consent by a Board Member, Unit Owner or Board is (pursuant to Section 19.1.2 hereof or otherwise) provided to be within any such Person's "sole discretion" (or words of like import), any dispute relating to whether such approval or consent was properly given or withheld; provided, however, that disputes regarding *whether* a Board Member, Unit Owner or Board has any right to approve of or consent to matter, and/or whether such matter is one which such Person has the right to determine in its sole discretion, shall be subject to Arbitration; and
- (3) any other matter expressly identified in the Condominium Documents as being "non-arbitrable" or not subject to arbitration (or words of like import).

ARTICLE 16

GENERAL RULES AND REGULATIONS

All General Rules and Regulations adopted from time to time by the Condominium Board shall be non-discriminatory and uniformly applied. None of the General Rules and Regulations shall be in conflict with these By-Laws or the Declaration. Each Non-Residential Unit Owner may adopt and, from time to time, modify, amend or add to rules and regulations concerning the use of its Non-Residential Area. Notice and a copy of any newly adopted General Rules and Regulations or any modifications, amendments or additions thereto shall be given by the Condominium Board to each Unit Owner not less than thirty (30) days prior to the effective date thereof.

ARTICLE 17

AMENDMENTS TO BY-LAWS

17.1 General Provisions Regarding Amendment. Subject to the provisions contained herein and in the Declaration with respect to amendments solely for the purpose of, and to the extent required for, effecting the subdivision and/or combination of Units:

17.1.1 Condominium Board Vote. The Condominium Board may, by a Common Interest Vote of 66-²/₃%, amend, modify, add or delete any provision of the Declaration and/or Condominium By-Laws; provided, however, that:

(a) no Board Member (to the extent otherwise entitled to vote) shall be entitled to vote in favor of any such amendment, modification, addition or deletion (in each case, an "Amendment") to the Declaration and/or Condominium By-Laws unless the Designator of such Board Member shall have obtained the consent of its Registered Mortgagees, if any (and, in the case of the Board Member representing the Performing Art Unit, the consent of the City for so long as the City Declaration remains in effect), or in the case of a Board Member designated by a Residential Board, the consent (not to be unreasonably withheld) of its Residential Mortgagee Representatives (as provided in Section 17.1.4 below); and all such consents (except for those deemed given, as hereinafter described) shall be in writing; and

(b) unless required by Law, no Amendment to the Declaration and/or Condominium By-Laws shall be made which shall affect to more than to a *de minimis* extent a Non-Residential Unit Owner, the Initial Residential Grantee or a Residential Board (or one or more Unit Owners within such Board's Residential Section), unless the affected Non-Residential Unit Owner, the Initial Residential Grantee, or the applicable Residential Board shall consent thereto.

17.1.2 Residential Unit Owner Vote. The Residential Unit Owners within a Residential Section shall, subject to compliance with Section 17.1.3(b) below, have the right to amend, modify, add or delete any provision of the applicable Residential By-Laws in accordance with the terms and conditions of such Residential By-Laws.

17.1.3 (a) Review and Approval by Non-Residential Unit Owners, the Initial Residential Grantee and the Residential Boards. The Condominium Board shall submit a draft of any proposed Amendment to the Declaration and/or Condominium By-Laws to each Non-Residential Unit Owner, the Initial Residential Grantee (to the extent there remain any Unsold Residential Units) and the Residential Boards. With respect to any proposed Amendment to the Declaration and/or Condominium By-Laws which affects to more than a *de minimis* extent a Non-Residential Unit Owner, the Initial Residential Grantee or a Residential Board (with respect to such Board or one or more Unit Owners within such Board's Residential Section), such affected Non-Residential Unit Owner, Initial Residential Grantee or the applicable Residential Board, as the case may be, shall (subject to the provisions of Section 17.1.4 below) have the right to approve or disapprove such amendment prior to its adoption by the Condominium Board. With respect to any proposed Amendment to the Declaration and/or Condominium By-Laws which does not affect to more than a *de minimis* extent a Non-Residential Unit Owner, the Initial Residential Grantee or a Residential Board (with respect to such Board or one or more Unit Owners within such Board's Residential Section), each such non-affected Person shall also (subject to the provisions of Section 17.1.4 below) have the right to approve or disapprove such Amendment, however, such approval may not be unreasonably withheld, conditioned or delayed. Any approval or disapproval of a proposed Amendment to the Declaration and/or Condominium By-Laws shall be given by each Person entitled to give the same within fifteen (15) Business Days of such Person's receipt of a written

request therefor, and each such Person's failure to timely respond to any such request (*i.e.*, within such fifteen (15) Business Day period) shall constitute (and be deemed to constitute) such Person's approval of the proposed Amendment. Notwithstanding the foregoing, the approval of any Non-Residential Unit Owner, the Initial Residential Grantee or a Residential Board shall not be required at any time that an Event of Default exists and is continuing with respect to such Person (although, any otherwise required approval of such Person's Registered Mortgagee or Residential Mortgagee Representatives, if any, shall continue to be required).

(b) Residential By-Laws. Notwithstanding any provision to the contrary contained in the Declaration or any Residential By-Laws, at least fifteen (15) days prior to adopting any proposed Amendment (or any Amendment approved by its Residential Unit Owners, subject to any required consents and approvals) to its Residential By-Laws, a Residential Board shall submit a copy of the proposed Amendment to each Non-Residential Unit Owner, the Initial Residential Grantee (to the extent there remain any Unsold Residential Units) and all other Residential Boards.

17.1.4 Review and Approval by Mortgagees. Each Non-Residential Unit Owner, the Initial Residential Grantee, and each Residential Board shall submit a draft of any proposed Amendment to the Declaration and/or Condominium By-Laws to its Registered Mortgagee or Residential Mortgagee Representatives, if any, as the case may be, and each such Registered Mortgagee whose mortgage grants it such right, and each such Residential Mortgagee Representative, shall have the right to approve or disapprove such amendment prior to the Board Member designated by its mortgagor (in the case of a Non-Residential Unit Owner) or its/their applicable Residential Board, as the case may be, being entitled to vote for the adoption of such Amendment by the Condominium Board (and provided that any such approval may not be unreasonably withheld, delayed or conditioned if the third sentence of Section 17.1.3(a) above applies). Any approval or disapproval of a proposed Amendment to the Declaration and/or Condominium By-Laws shall be given by each Registered Mortgagee or Residential Mortgagee Representative entitled to give the same within fifteen (15) Business Days after such Registered Mortgagee's or Residential Mortgagee Representatives' receipt of a written request therefor, and each Registered Mortgagee's or Residential Mortgagee Representative's failure to timely respond to any such request (*i.e.*, within such fifteen (15) Business Day period) shall constitute (and be deemed to constitute) such Registered Mortgagee's or Residential Mortgagee Representative's approval of the proposed Amendment. The approval of a Registered Mortgagee or Residential Mortgagee Representative, as the case may be, shall (if required pursuant to the foregoing provisions of this Section 17.1.4) continue to be required notwithstanding that an Event of Default exists and is continuing with respect to such mortgagee's mortgagor or such representative's Residential Board, as the case may be. For purposes of this Section 17.1.4, the City Declaration shall be deemed to be a Registered Mortgage on the Performing Arts Unit.

17.2 Recording of Amendments. No Amendment to the Declaration and/or Condominium By-Laws or any Residential By-Laws shall be effective until approved in accordance with the applicable provisions of the Condominium Documents and recorded in the Register's Office.

17.3 Execution and Delivery of Amendments. Any Amendment to the Declaration and/or Condominium By-Laws, Sub-By-Laws or Residential By-Laws may be executed: (i) if on behalf of the applicable Board, by the President or Vice President and the Secretary or an Assistant Secretary of such Board; and (ii) if on behalf of a Non-Residential Unit Owner or Initial Residential Grantee, by any general partner, managing member, officer or other authorized person of such owner. If the Amendment requires the approval of certain Non-Residential Unit Owners, the Initial Residential Grantee and/or Boards, or such of those Persons which in the aggregate represent a specified Common Interest pursuant to the terms of the Condominium By-Laws, then there shall be attached to such Amendment an original executed certification of a Secretary or Assistant Secretary of the Condominium Board, certifying that

such Unit Owners and Boards approved the Amendment in writing in accordance with the terms in these Condominium By-Laws. In such certification shall be described the identity, number and/or Common Interest of the Persons so consenting and (if voted upon) the date(s) and time(s) of the votes.

17.4 Amendments Affecting Restrictions Instrument or Subway Entrance Agreement. Notwithstanding any provision herein to the contrary, for so long as the Restrictions Instrument or the Subway Entrance Agreement are in full force and effect, no Amendment to the Declaration and/or Condominium By-Laws may be effected which would contravene and/or would directly or indirectly constitute or give rise to a default under either such instruments or would act as a material impediment to the performance of the obligations thereunder.

ARTICLE 18

INSURANCE TRUSTEE

18.1 Insurance Trustee.

18.1.1 Insurance Trustee. (a) Appointment of Insurance Trustee; Voting. GMAC Commercial Mortgage Corporation ("GMAC") shall be the Insurance Trustee, unless GMAC declines to do so or is no longer a Registered Mortgagee with respect to a Construction Loan Mortgage, and in such case, the Condominium Board shall appoint the Insurance Trustee with a Majority Member Vote; provided, however, that if the Insurance Trustee is not chosen pursuant to the initial Majority Member Vote, then the Person who was nominated to be the Insurance Trustee and who received the lowest number of votes shall be eliminated as a candidate for Insurance Trustee, and the Condominium Board shall then choose an Insurance Trustee from the remaining candidates with a Majority Member Vote. The afore described voting procedure for eliminating the candidate with the lowest number of votes shall be repeated until an Insurance Trustee is chosen.

(b) Qualifications. The Insurance Trustee shall at all times be (i) a savings bank, (ii) a savings and loan association, (iii) a credit union, (iv) a commercial bank or trust company (whether acting individually or in a fiduciary capacity), (v) an insurance company organized and existing under the laws of the United States or any state thereof, (vi) a governmental agency, body or entity, (vii) an employee benefit, pension or retirement plan or fund, (viii) a commercial credit corporation or (ix) GMAC; provided, that each of the above entities shall qualify as an Insurance Trustee within the provisions of this subsection only if each such entity shall (a) be subject to (y) the jurisdiction of the courts of the United States of America or of the State of New York in any actions and (z) the supervision of (A) the Comptroller of the Currency or the Department of Labor of the United States or the Federal Home Loan Bank Board or the Insurance Department or the Banking Department or the Comptroller of the State of New York, or the Comptroller of New York City or any successor to any of the foregoing agencies or officials, or (B) any agency or official exercising comparable functions on behalf of any other state within the United States, or (C) any federal, state or municipal agency or public benefit corporation or public authority advancing or insuring mortgage loans or making payments that, in any manner, assist in the financing, development, operation and maintenance of improvements, or (D) in the case of a commercial credit corporation, the laws and regulations of the state of its incorporation, and (b) have individual or combined assets, as the case may be, of not less than Five Hundred Million and 00/100 Dollars (\$500,000,000.00), and (c) not be an Affiliate of any Unit Owner or Board.

(c) Insurance Trustee Agreement. Any GCE Restoration Funds received by the Insurance Trustee shall be held by the Insurance Trustee for restoration of the General Common Elements or for distribution to the Unit Owners or Residential Boards, as applicable, as provided in these

By-Laws, and the Insurance Trustee shall act otherwise in accordance with the terms and provisions hereof. If any GCE Restoration Funds exceed \$2,000,000, the Condominium Board shall remit to the Insurance Trustee, promptly upon receipt of same, all GCE Restoration Funds. The Insurance Trustee shall be entitled to receive from the Condominium Board the Insurance Trustee's reasonable fees, compensation and expenses (all as approved by the Condominium Board) for acting as Insurance Trustee and may retain said fees, compensation and expenses, free of trust, from monies held by it. Each Non-Residential Unit Owner and Residential Board (on behalf of the applicable Residential Unit Owners) shall contribute to the Condominium Board the same percentage share of such fees, compensation and expenses as each such Unit Owner and Board bears with respect to the cost of insurance under the Budget. Any Insurance Trustee appointed to act hereunder shall execute an agreement (the "Insurance Trustee Agreement") with the Condominium Board, which agreement shall specifically incorporate the provisions of this Article 18 and shall otherwise be consistent with these By-Laws and approved by the Condominium Board.

18.1.2 Liability of Insurance Trustee. The Insurance Trustee shall not be liable or accountable for any action taken or disbursement made in good faith by the Insurance Trustee or any of its Related Parties, except that arising from the gross negligence, willful misconduct or bad faith of the Insurance Trustee or its Related Parties. The Insurance Trustee shall have no affirmative obligation to prosecute a determination of the amount of, or to effect the collection of, any insurance proceeds or award paid (or to be paid) in respect of the General Common Elements, unless the Insurance Trustee shall have been given an express written authorization from the Condominium Board. In addition, the Insurance Trustee may rely conclusively on any Certificate furnished by a Certifying Professional to the Insurance Trustee which appears on its face to have been properly furnished in accordance with the provisions of Section 12.10.3 above and shall not be liable or accountable for any disbursement of funds made by it in reliance upon such certificate or authorization.

18.1.3 Indemnification of Insurance Trustee. In consideration of the services rendered by the Insurance Trustee, the Condominium Board shall agree to indemnify and hold harmless the Insurance Trustee and its Related Parties from any and all damage, liability or expense of any kind whatsoever (including, but not limited to, reasonable attorneys' fees and expenses) incurred in the course of Insurance Trustee's duties hereunder or in the defense of any claim or claims made against Insurance Trustee or any of its Related Parties by reason of its appointment hereunder, except where due to the gross negligence, willful misconduct or bad faith of the Insurance Trustee or its Related Parties.

18.1.4 Interest on Deposited Funds. (a) The Insurance Trustee shall hold any GCE Restoration Funds in trust for the uses and purposes herein provided, and shall not commingle such monies with the Insurance Trustee's own funds or any other funds. The Insurance Trustee shall hold such monies in an account or accounts maintained in the City of New York in an Approved Bank(s) (as hereinafter defined) which is a member of the New York Clearing House Association. Unless otherwise approved in writing by the Condominium Board, such proceeds shall be invested in reasonably prudent investments, including without limitation certificates of deposit, recognizing preservation of capital as the primary investment obligation, and which shall at all times provide sufficient liquidity necessary in order to have sufficient funds available for the disbursement of funds which may be required under these By-Laws. As used herein, the term "Approved Bank" shall mean a bank or financial institution that has a minimum long-term unsecured debt rating of at least "A" by at least two of the following rating agencies: Standard & Poor's Rating Services, a Division of the McGraw-Hill Companies, Inc., Duff & Phelps Credit Rating Co., Moody's Investors Service, Inc. and Fitch ICBA, Inc.

(b) GCE Restoration Funds shall be applied to the payment of the costs of GCE Restoration Work before using any portion of such funds for any other purpose (other than the Insurance Trustee's fees or expenses), and then in accordance with the terms and provisions of these By-

Laws. Any interest paid or received by the Insurance Trustee on monies or securities held in trust, and any gain on the redemption or sale of any securities, shall be added to the monies or securities so held in trust by the Insurance Trustee. Each deposit of insurance proceeds and/or condemnation award shall be held and accounted for separately by the Insurance Trustee. Notwithstanding anything in the Declaration or these By-Laws to the contrary, if, pursuant to and in accordance with Section 12.10.6 of these By-Laws, the Condominium Board votes not to rebuild the Building after a Significant Casualty, then the Insurance Trustee shall remit all GCE Restoration Funds to the Condominium Board.

18.1.5 Resignation and Removal of Insurance Trustee; Successor Insurance Trustee. (a)

The Insurance Trustee may resign by serving not less than sixty (60) days' prior notice to the Condominium Board. Within such sixty (60) day period, the Condominium Board shall appoint a substitute Insurance Trustee pursuant to and in accordance with Section 18.7.1(a), and the resigning Insurance Trustee shall transfer all funds, together with copies of all records, held by it as Insurance Trustee to such substitute, at which time its duties as Insurance Trustee shall cease. If a Insurance Trustee is not appointed within the sixty (60) day period, the resigning Insurance Trustee shall continue to hold, receive and invest any funds payable to the Insurance Trustee hereunder but shall have no other duties or obligations as Insurance Trustee other than to invest the funds as herein provided and to transfer all funds and records to the new Insurance Trustee when selected; provided, however, that the Insurance Trustee may, after not less than twenty (20) days' prior written notice to the Condominium Board (given no sooner than forty (40) days after the resignation notice referred to above), deposit such funds with either a court of competent jurisdiction or with a bank or trust company in New York, New York who qualifies as a Insurance Trustee.

(b) If the Insurance Trustee is a Registered Mortgagee and such Insurance Trustee ceases to be a Registered Mortgagee, the Condominium Board may select a successor Insurance Trustee in accordance with the provisions of Section 18.7.1(f) above.

(c) The Condominium Board may replace the Insurance Trustee for any reason; provided, however, that if GMAC is the Insurance Trustee while it is a Registered Mortgagee with respect to a Construction Loan Mortgage, GMAC may be removed by the Condominium Board as Insurance Trustee only if it fails to materially comply with its obligations as Insurance Trustee or is otherwise removed for cause (including, without limitation, for the gross negligence, willful misconduct or bad faith of the Insurance Trustee or its Related Parties).

ARTICLE 19

MISCELLANEOUS

19.1 Approvals and Consents.

19.1.1 Wherever the consent or approval of Declarant or Developer is required under these By-Laws or the Declaration, such consent or approval shall not be required when the Building has been fully completed and neither Declarant nor Developer has any remaining obligations under the Restrictions Instrument, the Development Agreements, the Subway Entrance Agreement or otherwise. Wherever the consent or approval of the Initial Residential Grantee is required under these By-Laws or the Declaration, such consent or approval shall not be required when there are no remaining Unsold Residential Units.

19.1.2 Any approval or consent of a Board, Declarant, Developer, the Initial Residential Grantee or any Unit Owner or Board Member required under the Declaration or these By-Laws may,

except to the extent expressly provided to the contrary in the Declaration or these By-Laws, be granted or withheld in such Person's sole discretion. Whenever the approval or consent of a Board, Declarant, Developer, the Initial Residential Grantee or any Unit Owner or Board Member is required under the Declarations or these By-Laws not to be unreasonably withheld, such approval shall also not be unreasonably conditioned or delayed.

19.1.3 Notwithstanding that the consent and/or approval of any Board or Unit Owner may be required for or with respect to any particular matter, there shall be no separate or further requirement to obtain the consent or approval of the managing agent for any of the foregoing Persons.

19.1.4 Notwithstanding any other provision of the Declaration and By-Laws, with respect to any right of approval or consent granted to any Person by virtue of any "affect" or "impact" on it or any portion of the Property owned or controlled by it, in each instance the "affect" alleged must relate to the unique circumstances of such Person and the portion(s) of the Property owned or controlled by it; and no specific right of approval or consent shall apply with respect to any such matter which affects or impacts all Unit Owners, all General Common Charge Obligors, or all Non-Residential Unit Owners and Residential Boards, as the case may be, simply by virtue of their status as Unit Owners, General Common Charge Obligors, or Non-Residential Unit Owners and Residential Boards, as the case may be.

19.2 Waiver. No provision contained in the Declaration, these By-Laws or the General Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

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

19.4 Conflicts. In the event of a conflict between: (i) the terms of the Declaration and those of any of the Condominium By-Laws, Sub-By-Laws and/or Residential By-Laws, the terms of the Declaration shall in all events govern; (ii) the terms of the Condominium By-Laws and those of either or both of the Sub-By-Laws or the Residential By-Laws, the terms of these Condominium By-Laws shall in all events govern; and (iii) the terms of any General Rules and Regulations and those of either or both of Sub-Rules and Regulations or the Residential Rules and Regulations, the terms of any General Rules and Regulations shall in all events govern.

19.5 Certain References.

19.5.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

19.5.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire Condominium By-Laws and not to the particular provision in which the terms are used.

19.5.3 Unless otherwise stated, all references herein to Articles, Sections, subsections, paragraphs, subparagraphs or other provisions are references to Articles, Sections or other provisions of these Condominium By-Laws.

19.6 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

19.7 CPI Increases. All specific dollar amounts set forth in these By-Laws or the Declaration shall be adjusted by the CPI Increase Factor except to the extent otherwise provided. For such purposes, the "CPI Increase Factor" means an increase proportionate to any increase in the cost of living from the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Condominium Board (such index or substitute, the "Consumer Price Index").

19.8 Covenant of Further Assurances.

19.8.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an Occupant of a Unit, a member or an officer of any Board, a Registered Mortgagee, Residential Mortgagee Representative or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, as shall be reasonably necessary to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction (but without expanding the scope of any liability or obligation on the part of the cooperating party beyond that set forth in the Condominium Documents).

19.8.2 If any Unit Owner or any other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses to take any action which such Unit Owner or other party is required to perform pursuant to one or more specific provision of these By-Laws, in each case (unless a specific provision with respect thereto is provided for elsewhere in the Condominium Documents) within fifteen (15) Business Days after request therefor and within five (5) Business Days after receipt of a second request therefor (which second request shall be accompanied by a copy of the initial request (and any supporting materials) and stating in bold print: "**THIS IS A SECOND AND FINAL REQUEST FOR YOU TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, DESCRIBED IN THE ENCLOSED PRIOR REQUEST THEREFOR, WHICH IS REQUIRED UNDER THE TERMS OF THE CONDOMINIUM DECLARATION AND/OR BY-LAWS. YOUR FAILURE TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, AS THE CASE MAY BE, WITHIN FIVE BUSINESS DAYS FROM THE DATE HEREOF SHALL ENTITLE THE CONDOMINIUM BOARD TO DO SO ON YOUR BEHALF.**"), then the Condominium Board is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be. Any dispute with respect to the foregoing shall be subject to Arbitration; provided, the Person refusing to execute, acknowledge or deliver any such instrument, or refusing to take any such action, expressly renders such refusal in writing (together with its rationale for such refusal) within the time period(s) provided in this Section 19.8.2.

ARTICLE 20

CITY LETTER AND CITY AGREEMENTS

None of the provisions of these Condominium By-Laws or any of the other Condominium Documents, including, without limitation, the Building Prow Guidelines and the Signage Guidelines, abrogate or nullify in any way the effectiveness of the City Agreements, which remains in full force and effect.

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EXHIBIT 1

TABLE OF DEFINITIONS

AAA: As defined in Section 15.1.1 of the By-Laws.

Access Conduct Standards: As defined in Section 14.2 of the Declaration.

Affiliate: with respect to any Person, means a Person which directly or indirectly (through one or more intermediaries) controls, is controlled by, or is under common control with, such Person. For purposes hereof, (A) subject to clause (B) of this sentence, the term "control" (including the related terms "controlled by" and "under common control with") means: (i) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person (whether through the ownership of voting securities or other ownership interest, by contract or otherwise); and/or (ii) for purposes of Section 2.17.1 of the By-Laws only, the ownership, either directly or indirectly, of at least 20% of the legal or beneficial interest in such Person and (B) no Non-Residential Unit Owner or Residential Board shall be deemed to "control" any other Non-Residential Unit Owner or Residential Board for purposes of this definition of Affiliate solely by reason of controlling how the Common Interest and/or Budget Interests of the other Unit Owner or Board is voted (whether for one particular vote or for all votes, and whether the vote of the other Person is so controlled pursuant to any applicable Sub-By-Laws, a contractual arrangement or otherwise). It is acknowledged and confirmed that under the ownership and governance structure in effect for the Hotel Unit Owner as of the date hereof, the Hotel Unit Owner is not an Affiliate of the Office Unit Owner, Retail Unit Owner, Garage Unit Owner, NT Residential Board or ST Residential Board.

Alterations: As defined in Section 2.2.2(a) of the By-Laws; and "Altering" shall mean performing an Alteration.

Amendment: As defined in Section 17.1.1 of the By-Laws.

AOLTW: means AOL Time Warner Inc. and its corporate successors.

AOLTW Location Names: As defined in Section 1.6.1 of the Declaration.

AOLTW Name Licensees: As defined in Section 1.6.2 of the Declaration.

Appurtenant Interests: With respect to a Non-Residential Unit: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of the Unit Owner of such Unit in any other Units owned at the time in question by the Condominium Board or its designee on behalf of all Unit Owners, or the proceeds of the sale or lease of any such Units theretofore acquired; and (iii) the interest of the Unit Owner of such Unit in all other assets of the Condominium Board or the Condominium. With respect to a Residential Unit: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of the Unit Owner of such Residential Unit in any other Units owned at the time in question by the applicable Residential Board or its designee on behalf of all Residential Unit Owners in the applicable Residential Section, or in any other Units then owned by the Condominium Board or its designee on behalf of all Unit Owners, or in each case the proceeds of the sale or lease of any such Units theretofore acquired; and (iii) the interest of the Unit Owner of such Residential Unit in any other assets of the applicable Residential Board, Residential Section or the Condominium.

Arbitration: As defined in Section 15.1.1 of the By-Laws.

Area: See "Non-Residential Area" below.

Audit: As defined in Section 11.2.1 of the By-Laws.

Beneficial Owners: means the Persons who or which, as of the initial recording of the Declaration, are, in accordance with the terms of Declarant's Operating Agreement, anticipated to be the Non-Residential Unit Owners and the Initial Residential Grantee, together with Jazz at Lincoln Center, Inc.

Boards: means the Condominium Board, any Residential Board and any Sub-Board (collectively), and a "Board" means any one of the Condominium Board, any Residential Board and any Sub-Board, in each case, as the context may require.

Board Member: means a Condominium Board Member as defined in Article 2 of the By-Laws.

Board Member in Good Standing: As defined in "Member in Good Standing" below.

Borrowing Amount: As defined in Section 2.2.8 of the By-Laws.

Borrowing Obligor: As defined in Section 2.2.8 of the By-Laws.

Budget: As defined in Section 6.1.1 of the By-Laws.

Budget Interest: with respect to a Condominium Board Member, means, in the context of each of the separate Cost Control Categories collectively comprising a Budget, the share (expressed as a percentage) at the time in question of the General Common Charges within such Cost Control Category allocated to the General Common Charge Obligor(s) constituting the Designator of such Condominium Board Member. Budget Interests shall be initially determined in accordance with the allocations reflected in Exhibit 2 to the By-Laws and shall be subject to adjustment from time to time thereafter in accordance with the applicable provisions of the Condominium By-Laws. As noted on Exhibit 2, certain Cost Control Categories pertain to areas of the Building which are subject to financial agreements between or among Unit Owners as may be provided for pursuant to specific provisions of the Condominium Documents. While denoted as being subject to a Cost Control Category, the Persons who/which are parties to such agreements shall make determinations with respect to such areas in accordance with the specific provisions therefor set forth in the Condominium Documents, and in each case, only to the extent provided for in the Condominium Documents.

Budget Interest Vote of X% (or Budget Interest Vote of More Than X%): where X is a number specified in the Condominium Documents, means, in the context of each of the separate Cost Control Categories within a Budget: (i) if all Board Members have been designated and are Members in Good Standing, the affirmative percentage vote of both (x) Board Members representing, in the aggregate, more than the specified percentage (X%) of Budget Interests, and (y) at least two (2) Board Members whose Designators are not Affiliates of each other; or (ii) if any one or more Board Members has not been designated (or is deemed to not have been designated) or is not a Member in Good Standing, then the affirmative percentage vote of both (x) those Board Members in Good Standing and representing, in the aggregate, more than the percentage which is the product of: (a) the specified percentage (X%) of Budget Interests; multiplied by (b) a fraction, the numerator of which is the aggregate Budget Interests of all Board Members who have been designated and are Board Members in Good Standing at the time in question and the denominator of which is 100% and (y) at least two (2) Board Members whose Designators are not Affiliates of each other. *By way of illustration only* (and without constituting a

substantive provision of these By-Laws), if a Budget Interest Vote of 60% shall be required to approve a Cost Control Category budget, and one Board Member (whose Budget Interest is 20%) shall not at the time of that particular vote be a Member in Good Standing, then such vote, if then taken, shall require the affirmative vote of (x) Board Members in Good Standing whose Budget Interest is, in the aggregate, more than 48% (i.e., the specified 60% multiplied by (80% divided by 100%)) and (y) at least two (2) Board Members whose Designators are not Affiliates of each other. As used in this definition, the Budget Interest held or represented by a Designator means, with respect to a Designator that is a: (i) Non-Residential Unit Owner (or certain Non-Residential Unit Owners that collectively are a single Designator), the aggregate Budget Interest appurtenant to such Designator's Unit(s); and (ii) Residential Board or Sub-Board, the aggregate Budget Interest appurtenant to all the Units and Boards within the applicable Residential Section or Sub-Group. For purposes of this definition, a partial affirmative vote of a Board Member in accordance with the proviso clause of Section 2.9.1(b) of the By-Laws shall be deemed to be an affirmative vote by a Board Member whose Designator is the Person whose Budget Interest is so voted.

Budget Threshold: As defined in clause (v) of Section 6.1.1(g) of the By-Laws.

Building: As defined in Article 3 of the Declaration.

Building Logo: As defined in Section 1.6.5 of the Declaration.

Building Name: As defined in Section 1.6.1 of the Declaration.

Building Prow: the area and architectural element at the southeast corner of the Building (initially included in and forming a part of the Time Warner Unit), but not including the subway or subway entrance elements which will be contained in or below the Building Prow, all as shown on the Floor Plans. Notwithstanding any atypical design, feature or function of the Building Prow, it shall be considered to be Non-Residential Unit-type space (initially of the Time Warner Unit Owner, as shown on the Floor Plans) and accordingly shall be subject to: (a) Article 6 of the Declaration with respect to boundaries, dimensions, measurement and Floor Area; and (b) Article 7 of the Declaration concerning the extent to which certain portions and features thereof are considered General Common Elements (e.g., curtainwall, structural elements, etc.) and/or Limited Common Elements (e.g., Time Warner Systems, etc.).

Building Prow Guidelines: the guidelines attached to these By-Laws as Exhibit 8.5(d), and any amendments or additions to such guidelines adopted in accordance with the provisions of the Declaration, these By-Laws and the City Agreements.

Building Systems: mean each of the following systems servicing the Building, exclusive of the Time Warner Systems:

(a) the electrical systems (including any and all risers, feeders, lines, meters, equipment transformers, main switchgears, distribution panelboards, circuit breakers, conduits and wires) bringing electrical power into the Building and distributing such electrical power throughout the Building to and including any panelboard which exclusively serves all or any portion of any Non-Residential Area or Residential Section (and including the circuit breaker within any such panelboard, but excluding any circuits (and Equipment) fed from such circuit breaker);

(b) the plumbing systems of the Building (including all plumbing fixtures, risers, water heaters and chillers, pumps, valves, pressure reducers and meters; the "Plumbing Equipment"); however, excluding the Plumbing Equipment from and after the valve at the first point of

entry to all or any portion of a Non-Residential Area or Residential Section and serving only that Non-Residential Area or Residential Section;

(c) the sanitary systems of the Building carrying sewage out of the Building (including all sewer pipes, risers, pumps, drains, catches and valves; the "Sewer Equipment"); however, excluding the Sewer Equipment from and after (but not including) the trap removing sewage from any particular Non-Residential Area or Residential Section.

(d) the central and appurtenant installations and systems bringing natural gas into the Building and distributing the same throughout the Building (including all pipes, risers, ducts, chutes, wires, vents, shafts, lines, cables and connections used in connection therewith; the "Gas Equipment"); however, excluding the Gas Equipment from and after (but not including) the cutoff valve at the first point of entry to all or any portion of a Non-Residential Area or Residential Section and serving only that Non-Residential Area or Residential Section;

(e) the central and appurtenant installations and systems for other building services such as telephone, television, cable and other technologies (including all conduits, pipes, ducts, chutes, wires, vents, shafts, lines, cables and connections used in connection therewith, and all risers servicing Telecommunications Units, if any, but excluding any of the foregoing equipment owned by the service providers or other third parties, the "Services Equipment"); however, excluding all Services Equipment from and after the point of entry to a Unit (including, without limitation, any of the NT Residential Units or the ST Residential Units after subdivision of the Initial Residential Units) and serving only that Unit;

(f) the sprinkler systems for the Building (including all risers, pumps, suction tanks, fixtures and valves; the "Sprinkler Equipment") from the central water supply to but not including any sprinkler rig connected thereto (and any Sprinkler Equipment thereafter) within all or any portion of any Non-Residential Area or Residential Section and serving only that Non-Residential Area or Residential Section;

(g) the central refrigeration plant systems (including all cooling towers, risers, pumps and risers; the "Refrigeration Equipment"); however, excluding all Refrigeration Equipment from and after the chilled water supply BTU meter for all or any portion of any Non-Residential Area or Residential Section, through and including the chilled water return BTU meter for such Non-Residential Area or Residential Section, but including all Refrigeration Equipment thereafter;

(h) the central heating plant systems (including all heating towers, pumps, risers, feeders, lines, meters, valves, pressure reduction valves, pipes, conduits and wires; the "Heating Equipment") bringing steam into and distributing steam throughout the Building to but not including any pressure reduction valve exclusively serving all or any portion of any Non-Residential Area or Residential Section; and excluding any Heating Equipment from and after such pressure reduction valve;

(i) the fire command equipment (including any applicable panelboards, cables, conduits and wires) interfacing between or among the separate fire command stations and monitoring systems exclusively serving a Non-Residential Area or Residential Section (but excluding any equipment or elements constituting part of such separate stations and systems);

(j) the central security protection systems for the Building; however, excluding such systems from and after the point of entry to a Non-Residential Unit or Residential Section and serving only such Non-Residential Unit or Section;

(k) the emergency generator systems for the Building (including any and all risers, feeders, lines, meters, equipment transformers, main switchgears, distribution panelboards, circuit breakers, conduits and wires) distributing emergency electrical power throughout the Building to the General Common Elements; and

(l) to the extent not identified or located entirely within all or any portion of a Non-Residential Area or Residential Section or serving only one Non-Residential Area or Residential Section, or as may otherwise herein be described (or shown on the Floor Plans) as a Limited Common Element appurtenant to any Non-Residential Unit or as a Residential Limited Common Element, all other parts of the Property and all apparatus, installation, systems and equipment and existing in the Building or on the Property the common use of which serve or benefit or are necessary or convenient for the existence, operation, maintenance or safety of the Property.

For purposes of this definition of "Building Systems", each reference to a Residential Section shall include, without limitation, the Residential Limited Common Elements and any individual Residential Unit within such Residential Section; and each Non-Residential Area and Residential Section shall be deemed to include any of its Exclusive Use General Common Elements.

Business Days: means Monday to Friday, except holidays observed by the federal, state or local governments.

By-Laws or Condominium By-Laws: As defined in Section 1.2 of the Declaration.

Carryover Budget: As defined in Section 6.1.1(g) of the By-Laws.

Certificate: As defined in Section 12.10.3(b) of the By-Laws.

Certifying Professional: As defined in Section 12.10.3(b) of the By-Laws.

City: means The City of New York.

City Agreements: the instruments or agreements executed and delivered and to be executed and delivered by Declarant and the City pursuant to the City Letter, and recorded or intended to be recorded in the Register's Office.

City Declaration: As defined in Section 13.6.2 of the By-Laws.

City Letter: the letter, dated July 26, 2001, executed and delivered by Declarant to the Office of the Mayor of the City of New York, and counter-signed by Construction Lender and the City.

Common Charges: in respect of a General Common Charge Obligor means General Common Charges; and in respect of a Residential Unit Owner means Residential Common Charges (which include a portion of the General Common Charges payable by such Residential Unit Owner's Residential Board to the Condominium Board).

Common Driveway Area: as defined in Section 15.13.2 of the Declaration.

Common Elements: means the General Common Elements (including, without limitation, Exclusive Use General Common Elements) and the Limited Common Elements, each as defined in Article 7 of the Declaration.

Common Interest: means, at any given time, the proportionate, undivided interest in fee simple absolute appurtenant to each Unit, as expressed in percentage terms and set forth in Schedules B-1, B-2 and B-3 to the Declaration, as such Schedules may be amended from time to time in accordance with and subject to the provisions of the Condominium Documents. References in the Declaration, the Condominium By-Laws and any Residential By-Laws to the Common Interest(s) of a Residential Section or a Residential Board shall mean, in each case, the aggregate of the Common Interests appurtenant to all the Residential Units within the applicable Residential Section.

Common Interest Vote of X% (or Common Interest Vote of More Than X%: where X is a number specified in the Condominium Documents, such term refers to a vote of the Condominium Board (not of the Unit Owners) and means: (i) if all Designators have designated its Board Members and are Designators in Good Standing, the affirmative vote of both (x) Condominium Board Members whose Designators have or represent, in the aggregate, more than the specified percentage (X%) of Common Interests and (y) at least two (2) Condominium Board Members whose Designators are not Affiliates of each other; or (ii) if any one or more Condominium Board Members is not a Member in Good Standing or has not designated (or is deemed to have not designated) its Board Members, then the affirmative vote of both (x) those Condominium Board Members in Good Standing whose Designators have or represent, in the aggregate, at least the lesser percentage which is the product of: (a) the specified percentage (X%) of Common Interests; and (b) a fraction, the numerator of which is the aggregate Common Interests held or represented by the Designators whose Condominium Board Members have been designated and are Board Members in Good Standing at the time of the vote in question and the denominator of which is 100% and (y) at least two (2) Condominium Board Members whose Designators are not Affiliates of each other. *By way of illustration only* (and without constituting a substantive provision of these By-Laws), if a Common Interest Vote of 60% shall be required, and one (and only one) Condominium Board Member (whose Designator's Common Interest is 20%) shall not at the time of that particular vote be a Board Member in Good Standing, then such vote, if then taken, shall require the affirmative vote of (x) Board Members in Good Standing whose Designators have or represent, in the aggregate, 48% in Common Interests (*i.e.*, the specified 60% multiplied by (80% divided by 100%)) and (y) two (2) Board Members whose Designators are not Affiliates of each other. The foregoing shall also be subject to the terms of Section 2.9.4 of the By-Laws with respect to Non-Residential Units owned by the Condominium Board (or its designee). As used in the foregoing definition, the Common Interest held or represented by a Designator means with respect to a Designator that is a: (i) Non-Residential Unit Owner (or certain Non-Residential Unit Owners that collectively are a single Designator), the aggregate Common Interest appurtenant to such Designator's Unit(s); and (ii) Residential Board or Sub-Board, the aggregate Common Interest appurtenant to all the Units and Boards within the applicable Residential Section or Sub-Group. For purposes of this definition, a partial affirmative vote of a Condominium Board Member in accordance with the proviso clause of Section 2.9.1(b) of these By-Laws shall be deemed to be an affirmative vote by a Board Member whose Designator is the Person whose Common Interest percentage is so voted.

Common Usage Loading Dock Area: As defined in Section 15.13.2 of the Declaration.

Con Ed: As defined in Section 6.5.1(a) of the By-Laws.

Condominium: means the condominium established pursuant the Declaration, which, subject to the provisions of Section 1.6 of the Declaration, shall be known as AOL Time Warner Center Condominium.

Condominium Board: As defined in Article 2 of the By-Laws.

Condominium Board Member or Board Member: As defined in Article 2 of the By-Laws.

Condominium Board's Lien: As defined in Article 13 of the By-Laws.

Condominium Borrowing Condition: means a reasonably unforeseeable event, need or condition of extraordinary proportion and/or magnitude, not occurring in the ordinary course of business and operation of the Condominium, whether or not insurance proceeds are or are anticipated to be available.

Condominium By-Laws or By-Laws: As defined in Section 1.2(a) of the Declaration.

Condominium Documents: the Declaration, the Condominium By-Laws, and to the extent then in effect, any Residential By-Laws and Sub-By-Laws (as any of the same may be amended from time to time).

Condominium Name: As defined in Section 1.6.1 of the Declaration.

Condominium Ratification Event: As defined in Section 17.3 of the Declaration.

Construction Lender: means any holder of a Construction Loan Mortgage.

Construction Loan Documents: means all documents evidencing or governing a Construction Loan Mortgage.

Construction Loan Mortgage: As defined in Section 14.3(a) of the By-Laws.

Consumer Price Index: As defined in Section 19.7 of the By-Laws.

Contributing Obligor: As defined in Section 2.2.8 of the By-Laws.

Cost Control Categories: mean the classifications set forth (and described) in the budget into which individual items of General Common Expense (and reserves and special assessments) shall be categorized and assigned, consistent with the nature of or the event necessitating the particular expenditure, reserve or special assessment in question, as the case may be. The Cost Control Categories are set forth on Exhibit 2.

Costs: As defined in Section 2.2.2(p) of the By-Laws.

Covered Organization: As defined in Section 2.2.2(t) of the By-Laws.

CPI Budget Factor: As defined in clause (v) of Section 6.1.1(g) of the By-Laws.

CPI Increase Factor: As defined in Section 19.7 of the By-Laws.

CRA: As defined in Section 15.11 of the Declaration.

Declarant: means Columbus Centre LLC, a New York limited liability company.

Declarant's Operating Agreement: means that certain Amended and Restated Operating Agreement of Columbus Centre LLC, dated as of July 31, 2000, by and among Columbus Centre Residential LLC, Columbus Centre Retail LLC, Columbus Centre Office LLC, Columbus Centre Hotel

LLC, Columbus Centre Garage LLC, State Street Bank and Trust Company of Connecticut, National Association, not in its individual capacity but as Certificate Trustee, under the Amended And Restated TWC Trust Agreement, dated as of July 31, 2000, and Columbus Centre Developer LLC, as amended by "First Amendment" dated as of April 27, 2001 and by "Second Amendment to Agreement" dated as of July 31, 2001, and the same may hereafter be amended from time to time.

Declaration: means that certain Declaration, dated as of _____, Establishing a Plan for Condominium Ownership of the Premises Known As AOL Time Warner Center Condominium, to which the initial form of these Condominium By-Laws are attached, as such Declaration may be amended from time to time.

Default Rate: means a rate per annum equal to the lesser of: (i) five (5) percentage points above the rate publicly announced from time to time by Citibank N.A. (or its successor) in New York, New York as its "prime rate"; and (ii) the maximum rate of interest permissible under applicable Laws, if any, with respect to the applicable amount payable hereunder.

Delinquency Charge: As defined in Section 12.10.3(d) of the By-Laws.

Delinquent Special GCE Restoration Amount: As defined in Section 12.10.3(e) of the By-Laws.

Designator: means, with respect to any individual Condominium Board Member: (i) the Non-Residential Unit Owner (or, subject to the terms of Article 9 of the By-Laws, each of those Non-Residential Unit Owners and/or Residential Boards which together (whether or not as part of a Sub-Board) are) entitled to designate such Board Member to the Condominium Board; or (ii) the Initial Residential Grantee, Residential Board or Sub-Board, as the case may be, entitled to designate such Board Member to the Condominium Board.

Designator in Good Standing: means, as of any given date, a Designator (including, as applicable, (x) each Non-Residential Unit Owner which together with one or more other Non-Residential Unit Owner(s) constitutes or is deemed to constitute a single Designator and (y) each Unit Owner or Residential Board that is part of the applicable Sub-Group if a Designator is a Sub-Board) with respect to whom or which, and subject to Section 13.1.2 of the By-Laws, no Event of Default then exists and is continuing.

Developer: Columbus Centre Developer, LLC, the developer under the Development Agreements, or any permitted assignee of its rights and obligations thereunder.

Development Agreements: (A) that certain Sponsor Units Development Agreement, dated as of July 31, 2001, by and among Columbus Centre Office LLC, Columbus Centre Residential LLC, Columbus Centre Garage LLC, Columbus Centre Retail LLC, and the Developer (the "Sponsor Unit Development Agreement"); (B) that certain Development Agreement, dated as of July 31, 2001, between the Developer, and Time Warner, Inc., as construction agent (the "Time Warner Development Agreement"); (C) that certain Hotel Development Agreement dated, September 22, 1999, by and among Columbus Centre LLC, The Related Companies, L.P., Apollo Real Estate Investment Fund IV, L.P. and Mandarin Oriental (New York) Inc., as amended by that certain Amendment, dated as of October 15, 1999, to Hotel Development Agreement, and as further amended and restated by that certain Amended and Restated Hotel Development Agreement, dated as of July 31, 2001, by and among Columbus Centre LLC, The Related Companies, L.P., Apollo Real Estate Investment Fund IV, L.P., Apollo Real Estate Investment Fund III, L.P., the Developer, Columbus Centre Hotel LLC and Mandarin Oriental (New York) Inc. (the "Hotel Development Agreement"); and (D) that certain agreement, dated as of December

17, 1998, by and between Columbus Centre LLC and Jazz at Lincoln Center, Inc., as amended by First Amendment to Agreement dated as of July 31, 2001 (the "Performing Arts Development Agreement"), all of the foregoing collectively, as the same may have been, or may hereafter be, amended from time to time).

Dominant Unit Owner: As defined in clause (viii) of Section 6.1.1(g) of the By-Laws.

Emergency: means a condition, event or occurrence (including, without limitation, leaks or cracks, structural problems or defects) requiring Repair, Alteration or abatement immediately and specifically necessary for the preservation or safety of the Building or any part thereof, or for the health or safety (but not the general comfort or welfare) of Occupants of the Building or other persons, or required to avoid the suspension of any necessary services in the Building.

Environmental Law(s): all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

Equipment: means equipment, facilities, parts, fixtures, apparatus, appurtenances, installations and other similar items and personalty as may be located or contained in a Unit, Limited Common or General Common Element, but not necessarily forming a part of such Unit, Limited Common Element or General Common Element, as the case may be, unless otherwise specifically set forth in the Condominium Documents.

Event of Default: As defined in Article 13 of the By-Laws. Monetary Event of Default and Non-Monetary Event of Default are defined in Section 2.1.3 of the By-Laws.

Exclusive Use General Common Elements: As defined in Section 14.1 of the Declaration.

Final Operating Statement: As defined in Section 6.1.1(i) of the By-Laws.

First NT Residential Unit Conveyance: means the first closing in which the Initial Residential Grantee conveys title to an NT Residential Unit to a Person other than an Affiliate.

First Residential Unit Conveyance: means the first closing in which the Initial Residential Grantee conveys title to an NT Residential Unit or ST Residential Unit, as the case may be, to a Person other than an Affiliate.

First ST Residential Unit Conveyance: means the first closing in which the Initial Residential Grantee conveys title to an ST Residential Unit to a Person other than an Affiliate.

Fixed Allocations: As defined in Section 6.1 of the By-Laws.

Floor Area: has the meaning ascribed to such term in the Zoning Resolution, as the same is in effect on the date the Declaration is recorded in the City Register's Office or as may otherwise be applicable for purposes of construing and enforcing the Restrictions Instrument.

Floor Plans: As defined in Section 5.1.1 of the Declaration.

GCE Restoration Funds: As defined in Section 12.10.1 of the By-Laws.

GCE Restoration Funds Request: As defined in Section 12.10.3(b) of the By-Laws.

GCE Restoration Insurance Proceeds: As defined in Section 12.10.1 of the By-Laws.

GCE Restoration Work: As defined in Section 12.10.3(a) of the By-Laws.

Garage Area: As defined in Section 3.1 of the Declaration.

Garage Unit Owner: the record owner, whether one or more Persons, of the Garage Unit, in fee simple absolute, from time to time, including, without limitation, any Registered Mortgagee (or its designee or nominee) succeeding to such owner's interest in the Garage Unit by foreclosure or by deed-in-lieu of foreclosure.

General Common Charges: As defined in Section 6.1.1 of the By-Laws.

General Common Charge Obligors: means: (i) each Non-Residential Unit Owner as the Unit Owner of its Non-Residential Unit; and (ii) any Residential Board with respect to the Residential Units comprising its Residential Section.

General Common Elements: As defined in Article 7 of the Declaration. General Common Elements includes, among other things, Exclusive Use General Common Elements.

General Common Expense Records: As defined in Section 11.1.2 of the By-Laws.

General Common Expenses: As defined in Section 6.1.1 of the By-Laws.

General Rules and Regulations: such non-financial and non-discriminatory rules and regulations as may be promulgated (and amended) by the Condominium Board from time to time with respect to various matters relating to the use of all or any portion of the Property, which either supplement or elaborate upon the provisions of the Declaration or the Condominium By-Laws, and which shall be uniformly enforced.

GMAC: As defined in Section 18.1.1 of the By-Laws.

Governmental Authority(ies): means the United States of America, the State of New York, The City of New York and any agency, department, commission, board, bureau, instrumentality, public authority (whether governmental or quasi-governmental) or political subdivision of any of the foregoing, now existing or hereafter created (including, without limitation, the New York City Department of Buildings, the City Planning Commission and the boards of fire underwriters) having jurisdiction over the Property or any portion thereof.

Hazardous Materials: petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law.

Hotel Area: As defined in Section 3.1 of the Declaration.

Hotel/NT Residential Limited Common Elements: As defined in Section 7.11 of the Declaration.

Hotel Prow Restrictions: the portion of the Building Prow Guidelines that reads as follows:

"The following shall be prohibited in the prow of the Building:

1. Marketing, promoting or advertising any hotel or room for rent other than the hotel or rooms located in the Hotel Unit.
2. Marketing, promoting or advertising any hotel or hotel chain which is a competitor of the hotel or a competitor of the hotel chain which manages or owns the hotel located in the Building at the time."

Hotel Unit Owner: the record owner, whether one or more Persons, of the Hotel Unit, in fee simple absolute, from time to time, including, without limitation, any Registered Mortgagee (or its designee or nominee) succeeding to such owner's interest in the Hotel Unit by foreclosure or by deed-in-lieu of foreclosure.

Impositions: each of the following imposed by any Governmental Authority: (i) real property general and special assessments (including, without limitation, any special assessments: (A) for business improvements; or (B) imposed by any special assessment district); (ii) personal property taxes; (iii) commercial rent or occupancy taxes; (iv) license and permit fees, if and to the extent such fees are not paid by the Condominium Board and charged to the Unit Owners as part of General Common Charges; (v) any fines, penalties and other similar governmental charges applicable to any of the foregoing, together with any interest or costs with respect to the foregoing; and (vi) any other governmental levies, fees, rents, assessments or taxes and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind whatsoever, together with any fines and penalties and any interest or costs with respect thereto.

Initial Fit-Out Work: As defined in Article 9 of the Declaration.

Initial Naming Conditions: As defined in Section 1.6.1 of the Declaration.

Initial Residential Grantee: As defined in Section 1.3.1 of the Declaration.

Institutional Mortgage: means a mortgage loan made by and of the following Persons: (i) any bank, savings bank, trust company, savings and loan association, credit union or similar banking institution whether organized under the laws of the State of New York, the United States or any other state; (ii) any foreign banking corporation licensed by the Superintendent of Banks of New York or the Comptroller of the Currency to transact business in the State of New York; (iii) any insurance company or pension and/or annuity company duly organized or licensed to do business in New York State; and (iv) any instrumentality created by the United States or any state with the power to make mortgage loans.

Insurance Requirements: means all requirements of any insurance policy required to be carried pursuant to the Declaration and/or By-Laws and covering or applicable to all or any part of the Property or the use thereof, all requirements of the issuer of any such policy and all orders, rules, regulations, reasonable recommendations and other requirements of the New York Board of Fire Underwriters or any other body exercising the same or similar functions and having jurisdiction over all or any portion of the Property.

Insured Property: As defined in Section 12.7.2 of the By-Laws.

Interim Operating Statement: As defined in Section 6.1.1(h) of the By-Laws.

Land: As defined in Article 2 of the Declaration.

Laws (or, if used individually, Law): all laws, statutes and ordinances (including, without limitation, Environmental Laws, and all building codes and zoning ordinances) and the written orders, rules, regulations, directives, binding resolutions and requirements of all Governmental Authorities, whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof.

Lien-Causing Board: As defined in Section 10.1 of the By-Laws.

Lien-Causing Unit Owner: As defined in Section 10.1 of the By-Laws.

Limited Common Elements: As defined in Article 7 of the Declaration.

Loading Dock: means the loading dock, including the access ramps thereto from West 58th and West 60th Streets, the loading dock office located on the Ground Floor West, and loading dock mechanical systems and areas located on the Ground Floor West and Floors 2 and 3 of the Building, including, without limitation, the Loading Dock Areas and Common Driveway Area (each as defined in Article 15 of the Declaration).

Loading Dock Area: As defined in Section 15.13.2 of the Declaration.

Loading Dock Use Percentage: As defined in Section 6.1.1(b) of the By-Laws.

Majority of Board Members: means Condominium Board Members whose Designators have or represent more than 50% in Common Interests in the aggregate.

Majority Budget Interest Vote: means a Budget Interest Vote of more than 50% by the Condominium Board.

Majority Member Vote: means a Common Interest Vote of more than 50% by the Condominium Board.

Majority Unit Owner Vote: means the affirmative vote of those Unit Owners (including at least two (2) Unit Owners that are not Affiliates of each other) having more than 50% of the total votes of all Unit Owners (determined in accordance with the provisions of Section 3.7 of the By-Laws), who are present in person or by proxy, authorized to vote (i.e., excluding, without limitation, Unit Owners who are not Unit Owners in Good Standing) and voting at a duly constituted meeting at which a quorum is present or is not required.

Mandatory Costs: As defined in clause (v) of Section 6.1.1(g) of the By-Laws.

Member in Good Standing or Board Member in Good Standing: means, as of any given date, a Condominium Board Member whose Designator is a Designator in Good Standing.

Monetary Event of Default: means an Event of Default pursuant to subsections 13.1.1(a) through (c) of the By-Laws.

New Cost: As defined in clause (vi) of Section 6.1.1(g) of the By-Laws.

New York Condominium Act: As defined in Article 1 of the Declaration.

Non-Monetary Event of Default: means an Event of Default pursuant to subsections 13.1.1(d) through (f) of the By-Laws.

Non-Residential Area: means, with respect to a Non-Residential Unit, such Unit and its appurtenant Limited Common Elements.

Non-Residential Unit: As defined in Section 3.2 of the Declaration, subject to Sections 9.2.1 and 9.2.2 of the By-Laws.

Non-Residential Unit Owner: means the record owner, whether one or more Persons, of a Non-Residential Unit, in fee simple absolute, from time to time, including, without limitation, any Registered Mortgagee (or its designee or nominee) succeeding to such owner's interest in the Non-Residential Unit in question by foreclosure or by deed-in-lieu of foreclosure.

NT Residential Board: As defined in Section 1.4.1 of the Declaration.

NT Residential By-Laws: As defined in Section 1.3.2 of the Declaration.

NT Residential Limited Common Elements: As defined in Section 7.3 of the Declaration.

NT Residential Mortgagee Representatives: One or more (but not more than three) representatives which the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages encumbering the NT Residential Units may, at their election, designate in writing to the NT Residential Board and the Condominium Board which representatives shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the NT Residential Units with respect to any matter requiring their consent or approval under the Condominium Documents.

NT Residential Section: As defined in Section 1.3.1 of the Declaration.

Occupant: means any Person from time to time entitled to the use and occupancy of all or any portion of: (i) in the case of a Non-Residential Unit Owner, the Area or Exclusive Use General Common Element of such Non-Residential Unit Owner; (ii) in the case of a Residential Unit Owner, the Residential Unit of such Unit Owner, and any Exclusive Use General Common Elements or Residential Limited Common Elements under the exclusive control of such Residential Unit Owner (in accordance with the applicable Residential By-Laws); and (iii) in the case of a Residential or Sub-Board, the Exclusive Use General Common Elements and Limited Common Elements within its Areas and/or Sections (other than those under the exclusive control of a Residential Unit Owner in accordance with the Declaration or the applicable Residential By-Laws) and Units owned by such Board or its designee; in each case under an ownership right or any lease, sublease, license, concession, or other similar agreement (but an Occupant of a Residential Unit not owned by a Residential Board shall not, unless otherwise provided herein, be deemed an Occupant of such Residential Board).

Office Area: As defined in Section 3.1 of the Declaration.

Office Unit Owner: the record owner, whether one or more Persons, of the Office Unit, in fee simple absolute, from time to time, including, without limitation, any Registered Mortgagee (or its designee or nominee) succeeding to such owner's interest in the Office Unit by foreclosure or by deed-in-lieu of foreclosure.

Original Non-Residential Unit: any of the Non-Residential Units as constituted on the date the Declaration was initially recorded.

Original Residential Units: As defined in Section 3.1(ii) of the Declaration.

Other Residential Units: means all Residential Units that are not Original Residential Units.

Periodic Cost Control Category Reassessment: As defined in Section 6.1 of the By-Laws.

Performing Arts Area: As defined in Section 3.1 of the Declaration.

Performing Arts Unit Owner: the record owner, whether one or more Persons, of the Performing Arts Unit, in fee simple absolute, from time to time, including, without limitation, any Registered Mortgagee (or its designee or nominee) succeeding to such owner's interest in the Performing Arts Unit by foreclosure or by deed-in-lieu of foreclosure.

Permitted Mortgagee: with respect to a Residential Unit, shall (with respect to such Residential Unit), in each case, have the meaning given to such term, if any, in the applicable Residential By-Laws.

Permittee(s): the Persons (including the officers, directors, employees, agents, contractors, subcontractors, customers, vendors, suppliers, visitors, invitees, licensees, tenants, subtenants, and concessionaires of any Unit Owner or Board, or of any Occupant) who are, at any given time, in a Unit Owner's Unit, Area, Residential Section, Exclusive Use General Common Element or Residential Limited Common Element (to the extent under such Residential Limited Common Element is under its/his/her exclusive control pursuant to the applicable Residential By-Laws, as applicable), in each case as the context requires.

Person: means any individual, corporation, partnership, limited liability company, trust, unincorporated association, Governmental Authority or other legal entity, including, without limitation, each of the Condominium Board, the NT Residential Board and the ST Residential Board.

Present in Person or Presence in Person: As defined in 2.9.3 of the By-Laws.

Prime Rate: means a rate per annum equal to the lesser of: (i) the rate publicly announced from time to time by Citibank N.A. (or its successor) in New York, New York as its "prime rate"; and (ii) the maximum rate of interest permissible under applicable Laws, if any, with respect to the applicable amount payable hereunder.

Project Standards: means (subject to the last sentence of Section 6.2.4 of the By-Laws) standards appropriate for a high-quality, mixed-use project containing: (i) luxury residential accommodations; (ii) luxury hotel accommodations; (iii) Class "A" office space; (iv) high-end retail space; and (v) a first-class facility for the performing arts consistent with the standards of quality associated with the programs and facilities of Lincoln Center for the Performing Arts, Inc. or the Lincoln Center performing arts complex as are in effect on the date of the initial recording of the Declaration.

Property: As defined in Section 1.1 of the Declaration.

Prox Purchase Option: As defined in Section 5.3.2 of the Declaration.

Prox Purchase Option Agreement: As defined in Section 5.3.2 of the Declaration.

Records: As defined in Section 11.1 of the By-Laws.

Register's Office: means the Office of the Register of the City of New York, New York County.

Registered Mortgage: As defined in Section 14.3 of the By-Laws.

Registered Mortgagee: As defined in Section 14.3 of the By-Laws.

Related Parties: As defined in Section 12.9.1 of the By-Laws.

Repairs: As defined in Section 2.2.2(a) of the By-Laws; and "Repairing" shall mean performing a Repair.

Residential Board: either the NT Residential Board, the ST Residential Board or the board of managers governing a group of Other Residential Units.

Residential By-Laws: As defined in Section 1.3.4 of the Declaration.

Residential Common Expenses: As defined in Section 6.1.2 of the By-Laws.

Residential Limited Common Elements: any or all the NT Residential Limited Common Elements, the ST Residential Limited Common Elements and the Limited Common Elements appurtenant to any other Residential Section, as the context may require.

Residential Mortgagee Representatives: The Residential Mortgagee Representatives with respect to a specific Residential Section, or such representatives with respect to all Residential Sections, as the context may require.

Residential Section: either the NT Residential Section, the ST Residential Section or any group of Other Residential Units and their appurtenant Limited Common Elements.

Residential Unit: As defined in Section 3.2 of the Declaration.

Residential Unit Owner: the record owner, whether one or more Persons, of a Residential Unit, in fee simple absolute, from time to time, including, without limitation, any mortgagee (or its designee) succeeding to such owner's interest in the Unit in question by foreclosure or by deed-in-lieu of foreclosure.

Restrictions Instrument: means that certain Instrument of Undertakings, Waivers, Covenants and Restrictions, dated as of July 31, 2000, among Declarant, The City of New York and Triborough Bridge and Tunnel Authority, as the same may be amended from time to time in accordance with the provisions of Section 8.3 of the Declaration.

Retail Area: As defined in Article 3 of the Declaration.

Retail Unit Owner: the record owner, whether one or more Persons, of the Retail Unit, in fee simple absolute, from time to time, including, without limitation, any Registered Mortgagee (or its designee or nominee) succeeding to such owner's interest in the Retail Unit by foreclosure or by deed-in-lieu of foreclosure.

RM Notice: As defined in Section 14.3(b) of the By-Laws.

Roofs: means each of the roofs of the Building (including any machine room levels or bulkhead levels thereof or thereon), including, without limitation, those roofs which are the subject of easements for terraces, Roof Telecom Platforms, CRAs and otherwise as specified in Article 15 of the Declaration.

Rules and Regulations: means, collectively, any Residential Rules and Regulations, any Sub-Rules and Regulations, the General Rules and Regulations, if any, and those rules and regulations, if any, adopted by the Non-Residential Unit Owner(s), with all amendments, additions and modifications thereto; and in all instances such Rules and Regulations (other than the General Rules and Regulations which apply throughout the Building) shall apply only to the Residential Section or Non-Residential Unit(s) or Sub-Group to which they pertain.

Sale, Sell or like terms, including the term conveyance (in each case, whether or not capitalized): means the sale or conveyance or transfer by a Unit Owner of its fee title interest in its Unit and its undivided common ownership interest in the Common Elements appurtenant thereto.

Section: See "Residential Section" above.

Security Agreement: As defined in Section 6.1.1(k) of the By-Laws.

Shared Hotel Lobby: As defined in Section 7.11(i) of the Declaration.

Shared Lobby Mandatory Costs: As defined in clause (viii)(1) of Section 6.1.1(g) of the By-Laws.

Shared Office Limited Common Elements: As defined in Section 6.1.1(c) of the By-Laws.

Signage: As defined in Section 8.5 of the By-Laws.

Signage Guidelines: As defined in Section 15.6 of the Declaration incorporating Exhibit E annexed to the Declaration, as the same may be amended from time to time, but only in accordance with the applicable provisions of the Condominium Documents, the Signage Guidelines and the City Agreements.

Special Assessment: As defined in Section 6.1.1(m) of the By-Laws.

Special Borrowing Assessment: As defined in Section 2.2.8 of the By-Laws.

Special GCE Restoration Assessment: As defined in Section 12.10.3(c) of the By-Laws.

Special GCE Restoration Assessment Penalties: As defined in Section 12.10.3(e) of the By-Laws.

Special GCE Restoration Assessment Proceeds: As defined in Section 12.10.3(c) of the By-Laws.

ST Residential Board: As defined in Section 1.4.1 of the Declaration.

ST Residential By-Laws: As defined in Section 1.3.3 of the Declaration.

ST Residential Limited Common Elements: As defined in Section 7.4 of the Declaration.

ST Residential Mortgagee Representatives: One or more (but not more than three) representatives which the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages encumbering the ST Residential Units may, at their election, designate in writing to the ST Residential Board and the Condominium Board which representatives shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the ST Residential Units with respect to any matter requiring their consent or approval under the Condominium Documents.

ST Residential Section: As defined in Section 1.3.1 of the Declaration.

Sub-Board: As defined in Section 9.4.4 of the By-Laws.

Sub-By-Laws: As defined in Section 9.4.4 of the By-Laws.

Sub-Group: As defined in Section 9.4.4 of the By-Laws.

Subdivided Unit: As defined in Section 9.2.1 of the By-Laws.

Subdivided Unit Owner: As defined in Section 9.2.1 of the By-Laws.

Subdividing Unit Owner: As defined in Section 9.2.1 of the By-Laws.

Subway Entrance Agreement: means that certain Subway Entrance Agreement, dated as of July 31, 2000, between Declarant and the New York City Transit Authority, as the same may be amended from time to time.

Threshold Expenditures: As defined in clause (v) of Section 6.1.1(g) of the By-Laws.

Time Warner Area: As defined in Section 3.1 of the Declaration.

Time Warner Loading Dock Area: As defined in Section 15.13.2 of the Declaration.

Time Warner Unit Owner: the record owner, whether one or more Persons, of the Time Warner Unit, in fee simple absolute, from time to time, including, without limitation, any Registered Mortgagee (or its designee or nominee) succeeding to such owner's interest in the Time Warner Unit by foreclosure or by deed-in-lieu of foreclosure.

Time Warner Systems: mean each of the following systems to the extent exclusively serving the Time Warner Unit and exclusive of all or any portion of the following otherwise constituting Building Systems:

(a) central and appurtenant installations for services exclusively benefiting the Time Warner Unit or the Time Warner Unit Owner, such as power (including, without limitation, emergency power), light, telephone, television, cable, gas, sanitary and storm drainage, hot and cold water, chilled and/or condensed water, heat and air conditioning (including all pipes, ducts, chutes, wires, vents, shafts, lines and cables used in connection therewith); and

(b) electrical risers, feeders and lines, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards, and all plumbing fixtures, systems for distribution of cold water, hot water and chilled water (including pumps, valves, pressure reducers, meters, and water heaters and chillers);

TWI: means Time Warner Inc. and its successors.

Unanimous: or "unanimous", "unanimously" and words of similar import (whether or not capitalized) used in the Declaration and By-Laws, when referring to the Condominium Board shall mean the affirmative vote of all Condominium Board Members in Good Standing; and when referring to a group of some or all Unit Owners and/or Residential Boards, as the case may be, shall mean the affirmative vote of all Unit Owners in Good Standing within the identified group.

Unit: means any of the Non-Residential Units, Residential Units, or any condominium units resulting from a subdivision or combination of any of the foregoing Units (as and to the extent permitted under the Condominium Documents).

Unit Owner: the record owner, whether one or more Persons, of a Unit in fee simple absolute, from time to time, including, without limitation, the Initial Residential Grantee as the record owner of any Unit or any Registered Mortgagee (or its designee or nominee) succeeding to such owner's interest in a Unit by foreclosure or by deed-in-lieu of foreclosure. All references to a Unit Owner shall be deemed to include such Unit Owner's successors and assigns. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or by a tenancy by the entirety.

Unit Owner in Good Standing: as of any given date, a Unit Owner with respect to which no Event of Default has occurred and is continuing at the time in question.

Unit Owners Meeting: As defined in Section 3.1 of the By-Laws.

Unit Restoration Work: As defined in Section 12.10.4 of the By-Laws.

Unsold Residential Units: means, in each case to the extent owned by the Initial Residential Grantee at the time in question, the NT Residential Units (the "Unsold NT Residential Units") and/or the ST Residential Units (the "Unsold ST Residential Units").

Unsold NT Residential Units: See "Unsold Residential Units".

Unsold ST Residential Units: See "Unsold Residential Units".

Utility Service Area: As defined in Section 6.5 of the By-Laws.

Violation-Causing Board: As defined in Section 10.2 of the By-Laws.

Violation-Causing Unit Owner: As defined in Section 10.2 of the By-Laws.

Warranties: As defined in Section 6.3 of the By-Laws.

Zoning Resolution: means the Zoning Resolution of the City of New York, effective as of December 15, 1961, as amended from time to time.

EXHIBIT 6.1.1(b)(i)

LOADING DOCK USE PERCENTAGE

Each General Common Charge Obligor's Loading Dock Use Percentage during the applicable time period shall be calculated as follows:

1. First, count the number of tickets (i.e., the number of truck pull-ups) during such time period. The percentage of such tickets that relates to the Time Warner Unit Owner's use of the Time Warner Loading Dock Area is referred to herein as the "Special Time Warner Percentage," and the percentage of such tickets that relates to all other uses of the Loading Dock (including uses by the Time Warner Unit Owner of portions of the Loading Dock other than the Time Warner Loading Dock Area) is referred to herein as the "Remaining Percentage."

2. The Remaining Percentage shall be allocated among the General Common Charge Obligors based on the number of "units" of use of the Loading Dock by each such General Common Charge Obligor (excluding the use by the Time Warner Unit Owner of the Time Warner Loading Dock Area) during such time period. "Units" shall be calculated as follows: One bay used by one truck for one hour (or portion thereof) is 1 unit. As an example, 1 truck taking up 2 bays for 1½ hours represents 4 "units" of Loading Dock use.

3. The Loading Dock Use Percentage of each General Common Charge Obligor (other than the Time Warner Unit Owner) shall be its applicable portion of the Remaining Percentage in accordance with paragraph 2 above.

4. The Loading Dock Use Percentage of the Time Warner Unit Owner shall be the sum of (x) the Special Time Warner Percentage and (y) the Time Warner Unit Owner's allocable portion of the Remaining Percentage in accordance with paragraph 2 above.

5. For purposes of all calculations in paragraphs 1 and 2 above, both base hour use and off-hour use of the Loading Dock shall be included.

EXHIBIT 8.5(d)

BUILDING PROW GUIDELINES

EXHIBIT 13.6.2

DECLARATION OF RESTRICTIVE COVENANT

[to come]

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