



LEX TENANTS CORP.

50 LEXINGTON AVENUE
NEW YORK, NEW YORK 10010

PURCHASE APPLICATION

Please be advised that the following information is required for Board review:

1. Executed Purchase Application (enclosed)
2. Executed Contract of Sale with Riders
3. Credit Authorization Form (enclosed)
4. Applicants Release (enclosed)
5. **PURCHASE APPLICATION AFFIDAVITS FOR:**
 - a) Window Guard - Sign (enclosed)
 - b) Lead Paint Disclosure - Sign (enclosed)
 - c) Occupancy Statement - Sign (enclosed)
 - d) Move-In/Move-Out Rules with Affidavit - Sign (enclosed)
 - e) Balcony Rules and Regulations with Affidavit (enclosed)
 - f) Roof Party Rules with Affidavit (enclosed)
 - g) Roof/Sundeck Rules with Affidavit (enclosed)
 - h) House Rules and By Laws Affidavit (enclosed)
 - i) Sublet Fee Letter (enclosed)
 - j) Tenants Work Order Request Form (enclosed)
 - k) Bounced Check Policy (enclosed)
 - l) Insurance and Closing Acknowledgement (enclosed)
6. Two (2) Years Income Tax Returns with Schedules and W2's.
7. Financial Statement of Assets and Liabilities with verification of Assets

LEX TENANTS CORP.
PURCHASE APPLICATION - PAGE TWO

8. Employer Letter stating position, length of time with firm, salary and bonus, commission information if applicable.
9. Three (3) Personal References (must know individual at least five years)
10. Copy of Commitment Letter from Bank (if financing)
11. Copy of the Bank Loan Application (if financing)
12. Copy of the Appraisal Report (if financing)
13. Three (3) original Recognition Agreements signed by the Lender and Shareholder. (Only the AZTECH form of Recognition Agreement is acceptable).
14. Executed "Move-in Authorization" (enclosed)
15. Executed "House Rules Affidavit" (enclosed)
16. A non-refundable processing/credit check fee in the amount of \$400.00 must be submitted with the application. Please make check payable to Matthew Adam Properties, Inc.
17. A refundable move-out deposit in the amount of \$500.00 from the seller must be submitted with the application. Please make certified check or money order ONLY payable to Lex Tenants Corp.
18. A refundable move-in deposit in the amount of \$500.00 from the purchaser must be submitted with the application. Please make check payable to Lex Tenants Corp.
19. A non-refundable move-out fee in the amount of \$250.00 from the seller must be submitted with the application. Please make certified check or money order ONLY payable to Lex Tenants Corp.
20. A non-refundable move-in fee in the amount of \$300.00 from the purchaser must be submitted with the application. Please make check payable to Lex Tenants Corp.

One (1) original set and one collated copy set must be submitted to Matthew Adam Properties, Inc. at 127 East 59th Street New York, New York 10022.

FINANCIAL STATEMENT



Name (s) _____

Address _____

The following is submitted as being a true and accurate statement of the financial condition of the undersigned on

the _____ day of _____ 19____.

ASSETS		LIABILITIES	
	Applicant	Co-Applicant	
Cash in banks			Notes Payable:
Money markets Funds			To Banks
Contract Deposit			To Relative
Investments: Bonds & Stocks			To Others
-see schedule			Installment Accounts Payable:
Investment in Own Business			Automobile
Accounts and Notes Receivable			Other
Real Estate Owned - see schedule			Other Accounts Payable
Year Make			Mortgages Payable on Real
Automobiles:			Estate - see schedule
Personal Property & Furniture			Unpaid Real Estate Taxes
Life Insurance			Unpaid Income Taxes
Cash Surrender Value			Chattel Mortgages
Retirement Funds/IRA			Loans on Life Insurance Policies
401K			(Include Premium Advances)
KEOGH			Outstanding Credit Card Loans
Profit Sharing/Pension Plan			Other Debts - itemize
Other Assets			TOTAL LIABILITIES
TOTAL ASSETS			NET WORTH
COMBINED ASSETS			TOTAL LIABILITIES
SOURCE OF INCOME			& NET WORTH
	Applicant	Co-Applicant	COMBINED
Base Salary	\$	\$	CONTINGENT LIABILITIES:
Overtime Wages	\$	\$	As Endorser or Co-maker on Notes
Bonus & Commissions	\$	\$	\$
Dividends and Interest Income	\$	\$	Alimony Payments (Annual)
Real Estate Income (Net)	\$	\$	\$
Other Income - itemize	\$	\$	Child Support
TOTAL	\$	\$	Are you defendant in any legal action?
GENERAL INFORMATION			Are there any unsatisfied judgments?
	Applicant	Co-Applicant	Have you ever taken bankruptcy? Explain:
Personal Bank Accounts at			PROJECTED EXPENSES / MONTHLY
Savings & Loans Accounts at			Maintenance
Purpose of Loan			\$
			Apartment Financing
			\$
			Other Mortgages
			\$
			Bank Loans
			\$
			Auto Loan
			\$
			TOTAL
			\$

SCHEDULE OF BONDS AND STOCKS

AMOUNT OF SHARES	DESCRIPTION (EXTENDED VALUATION IN COLUMN)	MARKETABLE VALUE	NON-MARKETABLE VALUE

SCHEDULE OF REAL ESTATE

DESCRIPTION AND LOCATION	COST	ACTUAL VALUE	MORTGAGE AMOUNT	MATURITY DATE

SCHEDULE OF NOTES PAYABLE

Specify any assets pledged as collateral, including the liabilities they secure:

TO WHOM PAYABLE	DATE	AMOUNT	DUE	INTEREST	PLEGDED AS SECURITY

The foregoing application (pages 1 through 5) has been carefully prepared, and the undersigned hereby solemnly declare(s) and certify(s) that all the information contained herein is true and correct.

Date _____ 19____ Signature _____

Date _____ 19____ Signature _____

Applicant's Release

RE: Building Address: _____

Apartment #: _____

The undersigned applicant(s) is (are) submitting an application to purchase/sublease the above referenced apartment.

Applicant(s) has (have) submitted payment for certain fees including but not limited to fees to check applicants' credit/criminal/terrorist and landlord – tenant registry and to process this application.

Applicant(s) acknowledge(s) that the application to purchase/sublease the apartment may or may not be approved by the Board of Directors of the Cooperative Corporation owning the building in its sole discretion and that if the application is not approved, no reason for the disapproval needs to be given. **Whether the application is approved or not approved certain costs and expenses will be incurred and the fees described above will not be refunded to the applicant(s).**

The applicant release both the cooperative corporation and the managing agent from any liability for the return of these funds incurred in processing the application, and agrees that in the event the applicant seeks recovery of such fees, the applicant shall be liable for all costs and expenses (including attorney's fees) incurred by the cooperative and/or managing agent.

Applicant

Date

Applicant

Date

APPLICATION TO BECOME A SHAREHOLDER

Applicant _____ SS# _____

Applicant _____ SS# _____

Address _____

Phone # _____

How long at present address? _____

If less than three years, please list previous residence and landlord:

Occupation and Title _____

Employer _____

Address _____

Phone# _____

How long with present employer? _____

If less than three years, please list previous employer:

Apartment to be occupied by: Applicant(s) _____ Yes _____ No

Occupants _____ Relationship _____

Is financing for this transaction being applied for? _____ Yes _____ No

Names of all clubs and society memberships, fraternities and honorary societies to which applicant belongs:

Schools and colleges attended by husband, wife and children:

Names of all residents in the building known by the applicant:

Does applicant wish to maintain any pets in the apartment, and if so, please specify with full information:

Do you own or rent another residence, and if so, where? _____

The applicant must submit from each of the persons listed below, a letter of reference:

1. Present Landlord _____ Phone # _____
Address _____
2. Bank Reference _____ Phone # _____
Address _____
Account Number(s) _____
3. Business (Employer) reference (confirmation of salary, length of employment, likelihood of continued employment):
Name _____ Phone # _____
Address _____

4. Personal Reference _____ Phone # _____

Address _____

5. Personal Reference _____ Phone # _____

Address _____

6. Personal Reference _____ Phone # _____

Address _____

Seller's Attorney: _____

Attorney's Firm Name: _____

Address: _____

Phone#: _____

Purchaser's Attorney: _____

Attorney's Firm Name: _____

Address: _____

Phone#: _____

Broker's Name: _____

Company: _____

Address: _____

Phone#: _____

Signature of Applicant _____

Signature of Applicant _____

CREDIT CHECK AUTHORIZATION

Building Address _____ Apt. #: _____

Name: _____

Date Of Birth: _____ Soc. Sec. No.: _____

Home Address (Last Seven Years):

Employment Information:

Company Name And Address _____

Contact Name And Phone #: _____

Landlord Information: _____

Contact Name And Phone #: _____

In connection with my purchase/leasing of property, I authorize the procurement of a credit report, and if so desired a criminal background and terrorist check on myself. I further authorize all credit agencies, banks, lending institutions and persons to release information they may have about me and release them from any liability and all responsibility by doing so. This authorization, in original or copy for, shall be valid for this and any future reports that may be requested. Further information may be available upon written request within a reasonable period of time.

Signature

Date

LEX TENANTS CORP.
50 LEXINGTON AVENUE
PURCHASE APPLICATION AFFIDAVIT

Please initial each line and where indicated complete the form in question. Each applicant must sign and initial.

I/We acknowledge that we have received the enclosed information:

- | | | | |
|-----|---------------------------------------|-------|-------|
| 1. | Window Guard | _____ | _____ |
| 2. | Lead Paint Disclosure | _____ | _____ |
| 3. | Occupancy Statement | _____ | _____ |
| 4. | House Rules and By Laws | _____ | _____ |
| 5. | Move-In/Move-Out Rules Memo | _____ | _____ |
| | a) Request for Building Moves Form | _____ | _____ |
| | b) Move-In Authorization | _____ | _____ |
| 6. | Balcony Rules Memo | _____ | _____ |
| | a) Balcony Rules and Regulations | _____ | _____ |
| 7. | Roof Party Rules | _____ | _____ |
| 8. | Roof/Sundeck Rules | _____ | _____ |
| 9. | Sublet Fee Letter | _____ | _____ |
| 10. | Tenants Work Order Request | _____ | _____ |
| 11. | Bounced Check Policy Letter | _____ | _____ |
| 12. | Insurance Requirement Acknowledgement | _____ | _____ |

APARTMENT CORPORATION: LEX TENANTS CORP.
PREMISES: 50 LEXINGTON AVENUE, NEW YORK, NY 10016
MANAGING AGENT: MATTHEW ADAM PROPERTIES INC.

NAME(S): _____

APARTMENT / UNIT #: _____

You are hereby notified that under Section 131.51 of the New York City Health Code, the managing agent is required to install window guards in your apartment if a child or children ten (10) years old or under lives in your apartment.

You are required by this Health Code section to complete the form below at the closing of the title to your apartment. This form will be returned to the office of the Managing Agent along with the closing documents. If you answer that you have no children under that age group, it will mean that no window guards are required in your apartment.

If at some future time a child ten (10) years or younger becomes a resident in your apartment, such section of the Health Code further requires that you then inform us by certified or registered mail, return receipt requested, before we will be required to install window guards.

PLEASE CHECK ONE:

_____ THERE IS a child ten (10) years old or younger residing in the above apartment therefore window guards are required.

_____ THERE IS NO child ten (10) years old or younger residing in the above apartment, therefore window guards are not required.

Signature: _____ Date: _____

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) _____ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) _____ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii) _____ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (check (i) or (ii) below):

(i) _____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) _____ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

(f) _____ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____ Seller	_____ Seller	_____ Date
_____ Date	_____ Purchaser	_____ Date
_____ Agent	_____ Agent	_____ Date

OCCUPANCY STATEMENT

In addition to myself, the following person(s) will be residing in Unit _____. Please note the ages of any person ten years of age or younger. In no other person(s) will be residing in the Unit, please write NONE:

NAME	AGE <small>(IF 10 YEARS OR YOUNGER)</small>	RELATIONSHIP TO UNIT OWNER

I/We _____ attest that the above listed person(s) residency is in compliance with the By Laws of Lex Tenants Corp., furthermore, that I/We will comply with all of said By Laws, House Rules and Regulations of the cooperative corporation.

Applicant

Date

Applicant

Date

LEX TENANTS CORP.

50 LEXINGTON AVENUE
NEW YORK, NEW YORK 10010

**STATEMENT OF COMPLIANCE WITH
BY LAWS AND HOUSE RULES AND REGULATIONS**

The undersigned Applicant for Apartment _____ at Lex Tenants Corp.,
50 Lexington Avenue, New York, New York 10010, has read the By Laws and House
Rules of the Cooperative Corporation and understands and agrees to comply with all of
said By Laws and House Rules and Regulations.

Applicant

Date

Applicant

Date

**DO NOT RETURN OR DUPLICATE COPIES OF THE
HOUSE RULES AND REGULATIONS OR BY LAWS FOR
YOUR BOARD PACKAGE. THESE DOCUMENTS ARE
FOR YOUR INFORMATION.**

THANK YOU!

HOUSE RULES

Lex Tenants Corp., 5 Lexington Avenue, New York, N.Y.

For the purposes of these rules only, "Lessor" refers to the Lex Tenants Corp., and "Lessees" refers to holders of shares of the Cooperative Corporation as well as people renting from either shareholders or the sponsor.

1. The public halls and stairways of the building shall not be obstructed or used for any purpose other than ingress to an egress from the apartments in the building, and the fire towers shall not be obstructed in any way.
2. **No customer of any business located in the building shall be permitted to wait in the lobby. No person may use the lobby or halls to solicit business.**
3. **Children shall not play in the public halls, lobby, elevators, stairways or any other common area, and shall not be permitted on the roof unless accompanied by a responsible adult.**
4. There shall be no ball playing in any common area including, but not limited to, the plaza and the swimming pool.
5. No public hall above the ground floor of the building shall be decorated or furnished by a lessee in any manner.
6. **No Lessee shall make or permit any disturbing noises in the building or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other Lessees. No Lessee shall play upon, or suffer to be played upon, any musical instrument or permit to be operated a phonograph or a radio or television loud speaker in such lessee's apartment between the hours of ten o'clock p.m. and the following nine o'clock a.m. if the same shall disturb or annoy other occupants of the building. No construction or repair work or other installation involving noise shall be conducted in any apartment except on weekdays (not including legal holidays) and only between the hours of 8:00 a.m. and 6:00 p.m.**
7. **No article shall be placed in the halls or on the staircase landing, nor shall anything be hung or shaken from the doors, windows or balconies, or placed upon the windowsills of the building.**
8. **No awnings, window air-conditioning units or ventilators or anything be projected out of any window or walls of the building without similar approval.**

9. No sign, notice, advertisement or illumination shall be inscribed or exposed on or in any window or other part of the building, except such as shall have been approved in writing by the Lessor or the managing agent.
10. No tricycles, bicycles, scooters, baby carriages or similar objects shall be allowed to stand in the public halls, passageways, or other common areas of the building. All such items should be walked to the elevators.
11. Roller blades and skates must not be worn through halls, elevator, or lobby of building.
12. Messengers and tradespeople shall use such means of ingress and egress as shall be designated by the Lessor, and must sign a register maintained by the doorman.
13. Supermarket delivery carts are not allowed on elevators and in halls.
14. Garbage and refuse from the apartments shall be disposed of only at such times and in such manner as determined by the Board of Directors.
15. Unit owners will faithfully observe the following procedures with respect to the use of the compactor: **(a) wrap dust or powder waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) cause all bundles of waste to slide out of the hopper into the chute; (e) refrain from depositing waste of an explosive nature therein; (f) rinse glass or plastic bottles and jars, and aluminum cans, and leave them in a neat package on the floor of the compactor room; and (g) place newspaper in neat packages on shelf of the compactor room. Under no circumstances are bags of garbage to be left on the floor of the compactor room or outside the compactor room.**
16. Water closets and other water apparatus in the building shall not be used for any purposes other than those for which they were constructed, nor shall any sweepings, rubbish rags or any other article be thrown into the water closets. The cost of repairing any damage resulting from misuse of any water closets or other apparatus shall be paid for by the Lessee in whose apartment it shall have been caused.
17. No Lessee shall send any employee of the Lessor out of the building on any private business of a Lessee. Neither shall any building employee be asked to perform any task for a lessee beyond the scope of his employment while on duty. Further, no super, doorman, porter or security guard shall enter an apartment under any circumstances, without written authorization by Lessee.
18. **No bird or animal shall be kept or harbored in the building unless the same in each instance be expressly permitted in writing by the Lessor; such permission shall be revocable by the Lessor. In no event shall dogs be permitted in any of the public portions of the building, including the elevators, the lobby and the plaza, unless carried or on a leash. No pet may be allowed to urinate or defecate in a public area. In the event of an "accident" the pet owner must clean it up. No pigeons or other birds or animals shall be fed from the windowsills, balconies or in the plaza or other public portions of the building, or on the sidewalk or street adjacent to the**

building. Effective January 1, 1999, no new Lessee will be permitted to have a dog. If a current Lessee owns a dog, upon that dog's death, Lessee may replace. At no time are subtenants of either shareholder or sponsor permitted to own a pet.

19. No radio or television aerial shall be attached to or hung from the exterior of the building without the prior written approval of the Lessor or the managing agent.
20. The Lessee shall use the laundry facilities only on such days and during such hours as may be designated by the Lessor. Laundry carts owned by the Lessor may not be removed from the laundry room.
21. The installation of clothes washing machines and dryers are not permitted in any apartment.
22. Unless expressly authorized by the Board of Directors in each case, the floors of each apartment must be covered with rugs or carpeting or equally effective noise-reducing material, to the extent of at least 80% of the floor area of each room, except only kitchens, bathrooms, closets, and foyer.
23. No group tour or exhibition of any apartment or its contents shall be conducted, nor shall any **auction sale be held in any apartment without the consent of the Lessor or its managing agent.**
24. The lessee shall keep the windows of the apartment clean. In case of refusal or neglect of the **Lessee within 10 days after notice in writing from the Lessor or the managing agent to clean the windows, such cleaning may be done by the Lessor, which shall have the right to enter the apartment for this purpose and to charge the cost of such cleaning to the Lessee.**
25. Complaints regarding the service of the building shall be made in writing to the Sponsors, the Board of Directors or the Managing Agent.
26. No Lessee shall install any plantings on the balcony without the prior written approval of the Lessor. **Plantings shall be contained in boxes of wood lined with metal or other material impervious to dampness, and it adjoining a wall, at least three inches from such wall. Plantings may be contained in masonry or hollow tile walls, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. No items may hang over the edge of the balconies.**
27. Lessees and their guest must wear shirts and footwear in the elevators and lobby, including when traveling to or from the health club.
28. Pursuant to New York City ordinances, no barbecue grill of any type may be used on balconies.
29. There is to be no alcohol in any common area of the building.
30. The agents of the Lessor, and any contractor or workman authorized by the Lessor, may enter any apartment at any reasonable hour of the day for the purpose of inspecting such apartment to ascertain whether measurers are necessary or desirable to control or exterminate 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. If the Lessor takes measurers

to control or exterminate carpet beetles, the cost thereof shall be payable by the Lessee, in addition to the additional rent.

31. Lessees may move in or out of the building only Monday through Friday. No move may begin before 9:30 a.m. or after 1:00 p.m. All moves must be completed by 5:00 p.m. The Managing Agent must be notified of all moves at least ten days in advance.
32. A deposit of \$250.00 against damage to the common areas will be required for all moves and move-outs. Prior to the move, a check for \$250.00 made payable to Lex Tenants Corp. must be delivered to the superintendent. The super and the resident will then walk the route of the move and note the existing condition of the building entrance, lobby, elevators, and hallway. Just after the move is completed the super and resident will review the path of the move and if no damage is found, the check will be returned to the resident. Elevator pads must be used for every move.

All packages and boxes must be broken down and the doorman must be notified. They will advise you where to place same.

33. **The following rules for the use of the rooftop deck must be observed:** (a) no one under the age of 16 is permitted on the deck without adult supervision; (b) no cooking or preparation of food of any kind is permitted; (c) no alcoholic beverages are permitted; (d) no object may be thrown over the side of the deck (this includes cigarettes); (e) objects are not to be placed on the ledge of the roof; (f) radio volume must be kept low or head phones should be used whenever possible and (g) no fireworks of any kind are to be ignited or used when on the rooftop deck including firecrackers, sparklers, roman candles, etc. The rooftop deck is open only during the following hours:

Sunday through Thursday:	8:00 a.m. - 10:00 p.m.
Friday, Saturday & Holidays:	8:00 a.m. - 12:00 midnight

Lessee and their guest must be quiet when walking on the 27th floor and while on the stairs leading to the roof.

34. The following rules for the Health Club must be observed:
 - a. No person under the age of 16 shall be allowed in the health club unless accompanied by a parent or an adult authorized in writing to be responsible for the child.
 - b. Club open to tenants only (maximum of 2 guests - must be accompanied by tenant).
 - c. All persons must sign-in.
 - d. Lifeguard must be on duty when pool is open.
 - e. All persons must shower before entering the pool.

- f. Persons with inflamed eyes, nasal or ear discharge, back or other evidence of skin or body infections shall be excluded from the pool.
 - g. No diving, running, ball playing permitted.
 - h. No pets allowed in club.
 - i. No eating or drinking.
 - j. No radio playing.
 - k. No street shoes permitted.
35. Residents are reminded that any object falling from a balcony can result in the serious accident. Objects, which can be picked up by the wind, must not be left on the balconies.
36. In order for the building to maintain a suitable image, only items of furniture appropriate to balconies may be placed on the balconies.
37. **Any construction other than minor repairs must be inspected by the superintendent, and the managing agent must be notified in advance in writing of all plans.**
38. **Lessees will be held accountable for the actions of their guests and visitors. Anyone admitted to the building upon your approval should exit the building as quickly as possible and in the most direct route once his or her business with you is completed.**
39. Any exception to these House Rules granted by the Lessor shall be revocable at any time.
40. These House Rules may be added to, amended, or repealed at any time by resolution of the Board of Directors of the Lessor.

DOCUMENT VI

BY-LAWS OF
LEX TENANTS CORP.

ARTICLE I

PURPOSE OF BUSINESS

Section 1. The primary purpose of the Corporation is to provide residences for shareholders who shall be entitled, solely by reason of their ownership of shares, to proprietary leases for apartments in the building owned by the Corporation on the land leased to the Corporation for a term of years.

ARTICLE II

MEETING OF SHAREHOLDERS

Section 1. Annual Meeting: The first annual meeting of the shareholders of the Corporation, for the election of directors and for such other business as may properly come before such meeting, shall be held in the City of New York, within 30 days after the closing ("Closing Date") under the Offering Plan - a plan to convert to Cooperative Ownership premises 40-52 Lexington Avenue, New York, New York (the "Plan") promulgated by the Sponsor ("Sponsor"), and subsequent annual meetings shall be at such time and place before the 30th day of April each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the president or a vice president or the secretary or an assistant secretary. Such notice shall state the time when and the place within the state where it is to be held, and the secretary shall cause a copy thereof to be delivered personally or mailed to each shareholder of record of the Corporation entitled to vote at such meeting not less than ten nor more than forty days before the meeting. If mailed, it shall be directed to each such shareholder at his or her address as it appears on the share book, unless he or she shall have filed with the secretary of the Corporation a written request that notices intended for him or her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings: Special meetings of shareholders, other than those the calling of which is regulated by statute, may be called at any time by the president or secretary or by a majority of the Board of Directors. It shall also be the duty of the secretary to call such meetings whenever requested in writing so to do by shareholders owning at least twenty-five percent of the outstanding shares of the Corporation. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 1 of this Article to each

shareholder of record of the Corporation entitled to vote at such meeting not less than ten nor more than forty days before such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless the holders of all the outstanding shares of the Corporation be present thereat in person or by proxy.

Section 3. Waiver of Notice: The notice provided for in the two foregoing sections is not indispensable, but any shareholders' meeting whatever shall be valid for all purposes if all the outstanding shares of the Corporation are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by such shareholders as are not so represented and were not given such notice.

Section 4. Quorum: At each meeting of shareholders, except where otherwise provided by law, shareholders representing, in person or by proxy, a majority of the shares then issued and outstanding shall constitute a quorum; in case a quorum shall not be present at any meeting, the holders of a majority of the shares represented may adjourn the meeting to some future time and place. No notice of the time and place of the adjourned meeting need be given other than by announcement at the meeting. Only those shareholders who, if present at the original meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting: At each meeting of shareholders each shareholder present in person or by proxy shall be entitled to one vote for each share registered in his name at the time of service of notice of such meeting or at such prior date, not more than forty days before such meetings, as may be prescribed by the Board of Directors for the closing of the corporate share transfer books or fixed by the Board of Directors as the date for determining which shareholders of record are entitled to notice of and to vote at such meeting. The proxies shall be in writing duly signed by the shareholder but need not be acknowledged or witnessed, and the person named as proxy by any shareholder need not himself be a shareholder of the Corporation. Voting by shareholders shall be viva voce unless any shareholder present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the shareholder voting and the number of shares owned by him, and in addition, the name of the proxy of such ballot if cast by a proxy.

In all elections of directors of the Corporation, each shareholder shall be entitled to as many votes as shall equal the number of votes which (except for these provisions) he would be entitled to cast for the election of directors with respect to his shares, multiplied by the number of directors to be elected, and he may cast all of such votes for a single director or may distribute them among the number to be voted for, or any two or more of them, as he may see fit.

Section 6. Inspectors of Election: Inspectors of election shall not be required to be appointed at any meeting of shareholders unless requested by a shareholder present (in person or by proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in Section 610 of the Business Corporation Law.

Section 7. Order of Business: So far as consistent with the purpose of the meeting, the order of business of each meeting of shareholders shall be as follows:

1. Call to order.
2. Presentation of proofs of due calling of the meeting.
3. Roll call and presentation and examination of proxies.
4. Reading of minutes of previous meeting or meetings, unless waived.
5. Reports of officers and committees.
6. Appointment or election of inspectors of election, if requested.
7. If the annual meeting or a special meeting called for that purpose, the election of directors.
8. Unfinished business.
9. New business.
10. Adjournment.

ARTICLE III

DIRECTORS

Section 1. Number: The number of the Directors of the Corporation shall be not less than three nor more than seven, as may from time to time be herein provided and, in the absence of such provision shall be three (3). Commencing with the first election of Directors by tenant-shareholders of Corporation, and until changed by amendment of this By-Law provision, as herein-after provided, the number of Directors shall be seven (7). The number of Directors shall not be decreased to a number less than the number of Directors then in office except at an annual meeting of shareholders.

Section 2. Election: The Directors shall be elected at the annual meeting of shareholders or at a special meeting called for that purpose as provided by law, by a plurality of votes cast at such meeting. Their term of office shall be until the date herein fixed for the next annual meeting, and thereafter until their respective successors are elected and qualify. It shall not be necessary for a director of this Corporation to be a shareholder. Upon the earlier of the expiration of five (5) years from the Apartment Corporation's

taking title to the Property or the transfer of shares which taken in the aggregate with all shares not held by the Holder of Transferor's Shares constitute more than 50% of all issued shares, a special meeting for the election of Directors shall be called and all Directors shall resign, effective upon the election of their successors. At such meeting, the Holder of Transferor's Shares may not cast its votes for the election of Directors in a manner which would allow the Holder of Transferor's Shares to exercise voting control of the Board of Directors.

Section 3. Quorum: A majority of the Directors then authorized by these By-Laws shall constitute a quorum.

Section 4. Rights of Holder of Transferor's Shares: As long as the Holder(s) of Transferor's Shares (as defined in the Plan) are the holders of shares allocated to at least one (1) apartments in the building owned by the corporation, such persons, as a group, shall have the right to designate, prior to the election of directors at the annual meeting of the shareholders, one (1) director if such persons as a group hold less than 30% of the total outstanding shares of the corporation; two (2) directors if such persons as a group hold 30% of the total outstanding shares of the Corporation and such persons are not entitled to designate three (3) directors; and three (3) directors if (d) such persons shall hold 50% or more of the total outstanding shares of the Corporation. Notwithstanding the provisions of Section 1 of this Article III, and for a period extending no longer than five (5) years from the Closing Date, in no event shall the number of directors of the Corporation be increased so long as Holder(s) of Transferor's Shares hold 25% or more of the outstanding shares of the Corporation.

In addition, the Sponsor or any Holder of Transferor's Shares shall have the unqualified right to pledge the Transferor's Shares to a lending institution.

As long as holders of Transferor's Shares hold at least 25% of the total outstanding shares of the Corporation, but for a period no longer than two (2) years from the Closing Date under the Plan the Board of Directors will not:

1. Engage employees in addition to the employees referred to on the Projected Budget for First Year of Cooperative Operation set forth in Schedule B of the Plan ("Projected Budget") or provide services or equipment or make capital improvements with respect to the property (as defined in the Plan) in excess of those contemplated, if any, in the Projected Budget except if, and to the extent, additional services, equipment or capital improvements may be required by law. The Sponsor or any Holder of Transferor's Shares shall not exercise a veto power over any expenses required (a) to comply with applicable laws or regulations, (b) to remedy any notice of violation, (c) to remedy any work order by a mortgagee or insurer, or (d) to remedy a notice of default from a mortgagee.

2. Increase the amount of the mortgage indebtedness of the Corporation, extend, refinance or in any other way alter the terms of the Mortgage (as defined in the Plan) or enter into any new mortgage with respect to the Property (as defined in the Plan) or enter into any contract of sale or lease of the Building (as defined in the Plan) or the Property other than proprietary leases.

3. Increase, in any year, the amount of the reserve for contingencies (or other reserves) over the amount allowed therefor set forth in the Projected Schedule, provided that any unused portion of such reserve for any year of cooperative ownership may be added to the reserve for the following years of cooperative ownership.

During the period that the Holders of Transferor's Shares have the right to designate three (3) directors, (a) the corporation will not, except to the extent required by law, reduce or eliminate the services set forth in the Projected Schedule, except with the consent of a majority of directors not elected by the holders of Transferor's Shares and (b) the Corporation will not reduce or eliminate the services set forth in the Projected Schedule without the consent of the Sponsor.

Section 5. Designation Of Officers. On the Closing Date, the Corporation will irrevocably appoint designees of the Sponsor, referred to above in Article II, Section 1, as one or more Vice-Presidents and one or more Assistant Secretaries of the Corporation, empowering such persons with the right to execute any and all documents necessary, customary, required or desirable, to sell, pledge or hypothecate shares of the Corporation held by the Sponsor or by the Holder(s) of Transferor's Shares, as defined in the Plan, to assign the accompanying Proprietary Leases, as defined in the Plan, and in Article V hereof, or to sublet apartments. Pursuant to this irrevocable appointment the Sponsor and Holder(s) of Transferor's shares are permitted to do the above-described execution of documents, sale, etc., of shares, assignment of leases and subletting of apartments without the consent of any person or entity, including (but not limited to) the Corporation, its Managing Agent, the shareholders, officers or directors of the Corporation. The appointments, which during their term may be transferred between designees of Sponsor, will terminate with the last transfer of Transferor's Shares.

Section 6. Vacancies: Vacancies in the Board of Directors resulting from death, resignation or otherwise may be filled without notice to any of the shareholders by a vote of a majority of the remaining directors present at the meeting at which such election is held even though no quorum is present, which may be at any regular meeting of the Board of Directors or any special meeting thereof called for such purpose. In the event of the failure to hold any election of directors at the time designated for the annual election of directors or in the event that the Board of Directors shall not have filled any such vacancy, a special meeting of shareholders to elect a new Board of Directors or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of special meetings of shareholders. Vacancies in the Board of directors resulting from an increase of the Board of Directors by amendment of these By-Laws shall be filled in the manner provided in the resolution adopting such amendment. In the case of reduction of the authorized number of directors by amendment of these By-Laws, the directors, if any, whose term of office shall cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 7. Meetings: The Board of Directors shall meet immediately after the annual meeting of shareholders without notice and also whenever called together by any officer of the Corporation or upon the written request of any two directors then holding office, upon notice given to each director, by delivering personally, mailing or telegraphing the same to him at least two days prior to such meeting at the last address furnished by him to the Corporation. Regular meetings may be held without notice at such time and place as the Board of Directors may determine. Any meeting of the Board at which all the members shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting, shall be valid for all purposes provided a quorum be present. Meetings of directors may be held either at the principal office of the Corporation or elsewhere within the State of New York as provided in the notice calling the meeting, unless the Board of Directors by resolution adopts some further limitation in regard thereto. At all meetings of the Board of Directors, each director shall be entitled to one vote. The vote of a majority of the Board of Directors present at the time of a vote of a duly constituted meeting shall be the act of the Board of Directors.

Section 8. Resignation and Removal: Any director may resign at any time by written notice delivered in person or sent by certified or registered mail to the President or Secretary of the Corporation. Such resignation shall take effect at the time specified therein, and unless specifically requested acceptance of such resignation shall not be necessary to make it effective.

Any director may be removed from office without cause by the shareholders of the Corporation at a meeting duly called for that purpose.

Section 9. Annual Cash Requirements: The Board of Directors shall, except as may be otherwise restricted by the Proprietary Lease of the Corporation, from time to time, determine the cash requirements as defined in the Corporation's proprietary leases, and fix the terms and manner of payment of rent under the Corporation's proprietary leases. The Board of Directors shall have discretionary power to prescribe the manner of maintaining and operating the apartment house of the Corporation and to determine the cash requirements of the Corporation to be paid as aforesaid by the shareholder-tenants under their respective proprietary leases. Every such determination by the Board of Directors shall be final and conclusive as to all shareholder-tenants and any expenditures made by Corporation's officers or its agent under the direction or with the approval of the Board of Directors of the Corporation shall, as against the shareholder-tenants, be deemed necessarily and properly made for such purpose. For a period of five (5) years following the Closing Date, or until Transferor's Shares constitute less than 25% of the outstanding shares, whichever is sooner, the Sponsor, its principals or Holders of Transferor's Shares may exercise veto power over expenses except those expenses set forth in Schedule B of the Plan or expenses required to comply with all applicable laws or regulations.

Section 10. House Rules: The Board of Directors may from time to time, adopt and amend such house rules as it may deem necessary in respect to the apartment building of the corporation for the health, safety and convenience of the shareholder-tenants. Copies thereof and of changes therein shall be furnished to each shareholder-tenant.

Section 11. Executive Committee and other Committees: The Board of Directors may by resolution appoint an Executive Committee, and such other committees as it may deem appropriate, each to consist of three or more directors of the Corporation. Such committees shall have and may exercise such of the powers of the Board in the management of the business and affairs of the Corporation during the intervals between the meetings of the Board as may be determined by the authorizing resolution of the Board of Directors and so far as may be permitted by law, except that no committee shall have power to determine the cash requirements defined in the proprietary leases, or to fix the rent to be paid under the proprietary leases, or to vary the terms of payment thereof as fixed by the Board.

Section 12. Distributions: The shareholder-tenants shall not be entitled, either conditionally or unconditionally, except upon a complete or partial liquidation of the Corporation, to receive any distribution not out of earnings and profits of the Corporation.

ARTICLE IV

OFFICERS

Section 1. Election and Removal: The officers of the Corporation shall be a president, one or more vice presidents, a secretary and a treasurer. Such officers shall be elected at the first meeting of the Board of Directors after these By-Laws become effective, and thereafter at the regular meeting in each year following the annual meeting of shareholders, and shall serve until removed or until their successors shall have been elected. The Board of Directors may at any time or from time to time appoint one or more assistant secretaries and one or more assistant treasurers to hold office at the pleasure of the Board and may accord to such officers such power as the Board deems proper. One or more Vice-Presidents and one or more Assistant Secretaries shall be designees of the Sponsor as per Article III Section 5 above. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the then authorized total number of directors. The president shall be a member of the Board of Directors, and shall be a shareholder or the spouse of a shareholder, but none of the other officers need be a member of the Board of Directors or a shareholder or the spouse of a shareholder. One person may hold not more than two offices at the same time, except that the president and the secretary may not be the same person. Vacancies occurring in the office of any officer may be filled by the Board of Directors at any time.

Section 2. Duties of President and Vice President: The president shall preside at all meetings of the stockholders and of the Board of Directors. The president or any vice president shall sign in the name of the Corporation all contracts, leases and other instruments which are authorized from time to time by the Board of Directors. The president, subject to the control of the Board of Directors, shall have general management of the affairs of the Corporation and perform all the duties incidental to the office. In the absence from the City of New York or inability of the president to act, any vice president shall have the powers and perform the duties of the president.

Section 3. Duties of Treasurer: The treasurer shall have the care and custody of all funds and securities of the Corporation, and shall deposit such funds in the name of the Corporation in such bank or trust companies as the directors may determine, and he shall perform all other duties incidental to his office. If so required by the Board of Directors, he shall, before receiving any such funds, furnish to the Corporation a bond with a surety company or surety, in such form and amount as said Board from time to time shall determine. The premium upon such bond shall be paid by the Corporation. By March 15th annually, after the close of each calendar year, the treasurer shall cause to be furnished to each shareholder-tenant whose proprietary lease is then in effect, a statement of the Certified Public Accountant of the Corporation of any deductions available for income tax purposes on a per share basis and indicating thereon any such other information as may be necessary or useful to permit him to compute his income tax returns in respect thereof.

By March 15th annually, after the end of each fiscal year, the treasurer shall cause to be transmitted to each shareholder-tenant whose proprietary lease is then in effect, an annual report of operations and balance sheet of the Corporation which shall be certified by an independent Certified Public Accountant. A copy of said annual report shall be submitted to the Department of Law of the State of New York.

In the absence or inability of the treasurer, the assistant treasurer, if any, shall have all the powers and perform all the duties of the treasurer.

Section 4. Duties of Secretary: The secretary shall keep the minutes of the meetings of the Board of Directors and of the meetings of shareholders; he shall attend to the giving and serving of all notices of the Corporation and shall be empowered to affix the corporate seal to all written instruments authorized by the Board of Directors of these By-Laws. He shall also perform all other duties incidental to his office. He shall cause to be kept a book containing the names, alphabetically arranged, of all persons who are shareholders of the Corporation, showing their places of residence, the number of shares held by them, respectively, the time when they respectively became the owners thereof, and the amount paid thereon, and the denomination and the amount of all share issuance or transfer stamps affixed thereto, and such book shall be open for inspection as provided by law. In the absence or inability of the secretary, the assistant secretary, if any, shall have all the powers and perform all the duties of the secretary.

ARTICLE V

PROPRIETARY LEASES

Section 1. Form of Lease: The Board of Directors shall adopt a form of proprietary lease to be used by the Corporation for the leasing of all apartments and other space in the apartment building of the Corporation to be leased to shareholder-tenants under proprietary leases. Such proprietary leases shall be for such terms, with or without provisions for renewals, and shall

contain such restrictions, limitations and provisions in respect to the assignment thereof, the subletting of the premises demised thereby and the sale and/or transfer of the shares of the Corporation appurtenant thereto, and such other terms, provisions, conditions and covenants as the Board of Directors may determine.

After a proprietary lease in the form so adopted by the Board of Directors shall have been executed and delivered by the Corporation, all proprietary leases (as distinct from the house rules) subsequently executed and delivered shall be in the same form, except with respect to the statement as to the number of shares owned by the lessee, the use of the premises and the date of the commencement of the term, unless any change or alteration is approved by lessees in accordance with the voting set forth in Section 5 of Meetings of Shareholders above.

Section 2. Assignment: Proprietary leases shall be assigned or transferred only in compliance with, and shall never be assigned or transferred in violation of, the terms, conditions or provisions of such proprietary leases. A duplicate original of each proprietary lease shall always be kept on file in the principal office of the Corporation or with the managing agent of the apartment building.

Section 3. Allocation of Shares: The Board of Directors shall allocate to each apartment or other space in the apartment building of the corporation to be leased to shareholder-tenants under proprietary leases the number of shares of the Corporation which must be owned by the proprietary lessee of such apartment or other space.

Section 4. Assignment of Lease and Transfer of Shares: No assignment of any lease or transfer of the shares of the Corporation shall take effect as against the Corporation for any purpose until a proper assignment has been delivered to the Corporation; the assignee has assumed and agreed to perform and comply with all the covenants and conditions of the assigned lease or has entered into a new lease for the remainder of the term; all shares of the Corporation appurtenant to the lease have been transferred to the assignee; and all sums due have been paid to the Corporation.

Where the Sponsor named in the Plan of Cooperative Organization or a designee of the Sponsor is a lessee (holder of "Transferor's Shares") consent to an assignment pledge or transfer of his lease and the shares appurtenant thereto or a subletting or occupancy of the demised premises will not be required.

No person to whom the interest of a lessee or shareholder shall pass by law, shall be entitled to assign any lease, transfer any share, or to sublet or occupy any apartment, except upon compliance with the requirements of the lease and these By-laws.

Any person to whom a transfer of shares of the apartment corporation and the assignment of a proprietary lease is made with respect to an apartment occupied by a person other than such transferee shall be required to notify the occupant of such an assignment and transfer by written notice, delivered personally or mailed by regular U.S. mail, within thirty (30) days of taking title to the shares and accepting the assignment of the proprietary lease.

Section 5. Fees on Assignment: The Board of Directors shall have authority before an assignment or sublet of a proprietary lease or reallocation of shares takes effect as against the Corporation as lessor, to fix a reasonable fee to cover actual expenses and attorneys' fees to the Corporation, a service fee of the Corporation and such other conditions as it may determine, in connection with each such proposed assignment.

The Corporation may, by an affirmative vote of shareholders owning 66 2/3% of the amount of outstanding shares, impose a fee for the transfer of shares upon resale by any shareholder other than a Holder of Transferor's Shares in an amount to be determined by resolution of the shareholders.

Section 6. Lost Proprietary Leases: In the event that any proprietary lease in full force and effect is lost, stolen, destroyed or mutilated, the Board of Directors may authorize the issuance of a new proprietary lease in lieu thereof, in the same form and with the same terms, provisions, conditions and limitations. The Board may, in its discretion, before the issuance of any such new proprietary lease, require the owner thereof, or the legal representative of the owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction or mutilation as it deems necessary, and to give the Corporation a bond in such reasonable sum as it directs, to indemnify the Corporation.

Section 7. Regrouping of Space: The Board of Directors, upon the written request of the owner or owners of one or more proprietary leases covering one or more apartments in the apartment building and of the shares issued to accompany the same, may in its discretion, at any time, permit such owner or owners, at his or their own expense, A: (1) to subdivide any apartment into any desired number of apartments, (2) to combine all or any portions of any such apartments into one or any desired number of apartments; and (3) to reallocate the shares issued to accompany the proprietary lease or leases, but the total number of the shares so reallocated shall not be less than the number of shares previously allocated to the apartment or apartments involved, and, in connection with any such regrouping, the Board of Directors may require that the number of shares allocated to the resulting apartment or apartments be greater than the number of shares allocated to the original apartment or apartments, and may authorize the issuance of shares from its treasury for such purpose; or B: to incorporate one or more servant's rooms, or other space in the building not covered by a proprietary lease, into one or more apartments covered by a proprietary lease, whether in connection with any regrouping of space pursuant to subparagraph A of this Section 7 or otherwise, and in allocating shares to any such resulting apartment or apartments, shall determine the number of shares from its treasury to be issued and allocated in connection with the appropriation of such additional space.

In respect of apartments for which the proprietary lease and shares issued to accompany the same are owned by the Sponsor named in the Plan or Cooperative Organization or the Sponsor's Nominee or the Sponsor's Assignee (who while entitled to occupy any such apartments for his personal use does not do so), such Sponsor, Nominee, or Assignee may, upon the written consent of only the Managing Agent of the Building, change the number of such apartments by increasing or decreasing their size, or change the size, layout or location of any such apartment, provided such changes comply with law and do not permanently encroach upon any pre-existing public or common areas of the Apartment Corporation; but such Sponsor, Nominee, or assignee shall not have the right to reallocate the shares allocated any of the apartments offered for sale under said plan, unless such reallocation is designed to reflect a change in the value of the equity in the property attributable to the apartment or apartments to which the block of shares is being reallocated.

Upon any regrouping of space in the building, the proprietary leases so affected, and the accompanying share certificates shall be surrendered, and there shall be executed and delivered in place thereof, respectively, a new proprietary lease for each separate apartment involved, and a new certificate for the number of shares so allocated to each new proprietary lease.

ARTICLE VI

CAPITAL SHARES

Section 1. No shares hereafter issued or acquired by the Corporation shall be issued or reissued except in connection with the execution by the purchaser and delivery by the Corporation of a proprietary lease of an apartment in the building owned by the Corporation. The ownership of shares shall entitle the holder thereof to occupy the apartment for the purposes specified in the proprietary lease to which the shares are appurtenant, subject to the provisions, covenants and agreement contained in such proprietary lease.

Section 2. Form and Share Register: Certificates of the shares of the Corporation shall be in the form adopted by the Board of Directors, and shall be signed by the president or vice president and the secretary or an assistant secretary or the treasurer or an assistant treasurer, and sealed with the seal of the Corporation, and shall be numbered in the order in which issued. Such signatures and seal may be facsimiles when and to the extent permitted by applicable statutory provisions. Certificates shall be issued in consecutive order and there shall be recorded the name of the person holding the shares, the number of shares and the date of issue. Each certificate exchanged or returned to the Corporation shall be cancelled, and the date of cancellation shall be indicated thereon and such certificate shall be retained in the Corporate records.

Section 3. Issuance of Certificates: Shares appurtenant to each proprietary lease shall be issued in the amount allocated by the Board of Directors to the apartment or other space described in such proprietary lease and shall be represented by a single certificate.

Section 4. Transfers: Transfers of shares shall be made upon the terms of the Corporation only by the holder in person or by power of attorney, duly executed and filed with the secretary of the Corporation and on the surrender of the certificate for such shares, except that shares sold by the Corporation to satisfy any lien which it holds thereon may be transferred without the surrender of the certificate representing such shares.

Section 5. Units of Issuance: Except as otherwise provided in Article V, Section 7, unless and until all proprietary leases which shall have been executed by the Corporation, shall have been terminated, the shares appertenant to each proprietary lease shall not be sold or assigned except as an entirety to the Corporation or an assignee of such proprietary lease, after complying with and satisfying the requirements of such proprietary lease in respect to the assignment thereof.

Section 6. Corporation's Lien: The Corporation shall at all times have a first lien upon the shares owned by each shareholder for all indebtedness and obligations owing and to be owing by such shareholder to the Corporation, arising under the provisions of any proprietary lease issued by the Corporation and at any time held by such shareholder or otherwise arising. Unless and until such shareholder as lessee shall make default in the payment of any of the rental or in the performance of any of the covenants or conditions of such proprietary lease, and/or unless and until such shareholder shall make default in payment of any indebtedness or obligation owing by such shareholder to the Corporation otherwise arising, such shares shall continue to stand in the name of the shareholder upon the books of the Corporation, and the shareholder shall be entitled to exercise the right to vote thereon as though said lien did not exist. The Corporation shall have the right to issue to any purchaser of such shares upon the enforcement by the Corporation of such lien, or to the nominee of such purchaser, a certificate of the shares so purchased substantially of the tenor of the certificate for such shares theretofore issued to such defaulting shareholder, which shall become void, and such defaulting shareholder agrees to surrender such last mentioned certificate to the Corporation upon the latter's demand, but the failure of such defaulting shareholder so to surrender such certificate shall not affect the validity of the certificate issued in replacement thereof. The Corporation may refuse to consent to the transfer of shares of any shareholder indebted to the Corporation unless and until such indebtedness is paid.

Section 7. Lost Certificates: In the event that any share certificate is lost, stolen, destroyed or mutilated, the Board of Directors may authorize the issuance of a new certificate of the same tenor and for the same number of shares in lieu thereof. The Board may, in its discretion, before the issuance of such new certificate, require the owner of the lost, stolen, destroyed or mutilated certificate, or the legal representative of the owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction or mutilation as it deems necessary, and to give the Corporation a bond in such reasonable sum as it directs to indemnify the Corporation.

Section 8. Legend on Share Certificates: Certificates representing shares of the Corporation shall bear a legend reading as follows:

"The rights of any holder hereof are subject to the provisions of the by-laws of LEX Tenants Corp. and to all the terms, covenants, conditions and provisions of a certain proprietary lease made between the person in whose name this certificate is issued, as Lessee, and LEX Tenants Corp. as Lessor, for an Apartment in the premises known as 40-52 Lexington Avenue, New York, New York, which lease limits and restricts the title and rights of any transferee hereof. The shares represented by this certificate are transferable only as an entirety and only to an approved assignee of such proprietary lease. Copies of the proprietary lease and the By-Laws are on file and available for inspection at the office of the Managing Agent of this Corporation.

"The Directors of this Corporation may refuse to consent to the transfer of the shares represented by this certificate until any indebtedness of the shareholder to the Corporation is paid. The Corporation, by the terms of said By-Laws and proprietary lease, has a first lien on the shares represented by this certificate for all sums due and to become due under said proprietary lease.

"Certain Corporate actions, other than the election of Directors, which are to be taken by a vote of the Shareholders of the Corporation, shall be authorized by a vote of the holders of two-thirds of all outstanding shares entitled to vote thereon."

ARTICLE VII

INDEMNIFICATION

Section 1. To the extent allowed by law, the Corporation shall indemnify any person, made a party to an action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he, his testator or intestate, is or was a director or officer of the Corporation, against the reasonable expense, including attorney's fees, actually and necessarily incurred by him in connection with the defense of such action, or in connection with an appeal therein, except in relation to matters, as to which such director or officer is adjudged to have breached his duty to the Corporation, as such duty is defined in Section 717 of the Business Corporation Law. To the extent allowed by law, the Corporation shall also indemnify any person, made, or threatened to be made, a party to an action or proceeding other than one by or in the right of the Corporation to procure a judgment in its favor, whether civil or criminal, including an action by or in the right of any other corporation, domestic or foreign, which he served in any capacity at the request of the Corporation by reason of the fact, the he, his testator or intestate was a director or officer of the Corporation or served it in any capacity against judgments, fines, amounts paid in settlement, and reasonable expenses, including attorneys' fees actually and necessarily incurred as a

result of such action or proceeding, or the special dividend, if such dividend was declared by an officer acted, in good faith, for a purpose which he reasonably believed to be in the best interests of the Corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his conduct was unlawful.

ARTICLE VIII

SEAL

Section 1. The seal of the Corporation shall be circular in form and have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal" and "New York."

ARTICLE IX

NEGOTIABLE INSTRUMENTS

Section 1. All checks, drafts, orders for payment of money and negotiable instruments shall be signed by such officer or officers or employee or employees as the Board of Directors may from time to time, by standing resolution or special order, prescribe.

Section 2. Endorsements or transfers of shares, bonds, or other securities shall be signed by the president or any vice president and by the treasurer or an assistant treasurer or secretary or an assistant secretary unless the Board of Directors, by special resolution in one or more instances, prescribe otherwise.

Section 3. Safe Deposit Boxes: Such officer or officers as from time to time shall be designated by the Board of Directors, shall have access to any safe of the Corporation in the vault of any safe deposit company.

Section 4. Securities: Such officer or officers as from time to time shall be designated by the Board of Directors shall have power to control and direct the disposition of any bonds or other securities or property of the Corporation deposited in the custody of any trust company, bank or other custodian.

ARTICLE X

FISCAL YEAR

Section 1. The fiscal year of the Corporation shall be the calendar year unless otherwise determined by resolution of the Board of Directors.

ARTICLE XI

MISCELLANEOUS

Section 1. Salaries: No salary or other compensation for services shall be paid to any directors or officer of the Corporation for services rendered as such officer unless and until the same shall have been authorized in writing or by affirmative vote, taken at a duly held meeting of shareholders, by shareholders owning at least a majority of the then outstanding shares of the Corporation.

ARTICLE XII

AMENDMENTS

Section 1. So long as Holder(s) of Transferor's Shares shall hold 25% of the corporation's outstanding shares, and for a period extending no longer than five (5) years from the Closing Date, these By-Laws may be amended, enlarged or diminished only by a unanimous vote of all shareholders and all members of the Board of Directors. When Holder(s) of Transferor's Shares hold less than 25% of the corporation's outstanding shares, or after five (5) years from the Closing Date, which occurs first, these By-Laws may be amended, enlarged or diminished either (a) at any shareholders' meeting by vote of shareholders owning 95% of the amount of the outstanding shares, represented in person or by proxy, provided that the proposed amendment or the substance thereof shall have been inserted in the notice of meeting or that all of the shareholders be present in person or by proxy, or (b) at any meeting of the Board of Directors by a majority vote, provided that the proposed amendment or the substance thereof shall have been inserted in the notice of meeting or that all of the Directors are present in person, except that the Directors may not repeal a By-Law amendment adopted by the Shareholders as provided above.

SUBJECT: MOVE INS/MOVE OUTS

Please be reminded of the following steps to be taken for all move ins/ outs.

Moves:

1. All moves must be scheduled 48 hours in advance of the move. A Move Request must be given to all tenants moving in or out of the building. It must be fully completed and approved by you before scheduling the move.
2. No moves are permitted before 9:00am or after 4:30pm. No moves are permitted on Saturday or Sunday. Extraordinary exceptions can be made with written permission by Matthew Adam Properties.
3. The Superintendent must collect the following.
 - a. **One of the following:**
 1. **\$250 security deposit with a Certificate of Insurance OR,**
 2. **\$500 security deposit**
 - b. **\$250 non-refundable move fee**
 - c. **Move Form (attached)**

**CHECKS SHOULD BE PAYABLE TO LEX TENANTS CORP. ONLY BANK CHECKS, MONEY ORDERS OR CERTIFIED CHECKS WILL BE ACCEPTED.
PERSONAL CHECKS CANNOT BE ACCEPTED.

4. After the above is collected, the following must be done:
 - a. The security deposit must be securely held until you have inspected the hallway and elevator for any damages. If no damages are found, the security deposit will then be returned to the tenant with a copy of the move form, approved by you.
 - b. The move form and \$250 non-refundable move fee must be given to Insignia for processing.
5. Please take note that if a tenant is renting a sponsor owned apartment, you cannot mandate the fees. Just simply note "No Payment -Sponsor Apartment" on the form after the move is completed.

If you have any questions, please feel free to call me. Thank you.

Lex/ qc/ movein-out

INITIAL:

LEX TENANTS CORP.

LEX TENANTS CORP.

REQUEST FOR BUILDING MOVES

Name: _____

Current Address: _____

Telephone Number/Home: _____ Business: _____

Moving Company Name & Phone: _____

Date of Requested Move: _____ Start Time: _____ AM or PM _____

Alternate Date: _____ Start Time: _____ AM or PM _____

1. Your move is contingent upon receipt of (1) a **\$250 security deposit with a Certificate of Insurance OR a \$500 security deposit** against damages caused by you or your moving company, (2) a **\$300 non-refundable move fee**. Checks should be made payable to Lex Tenants Corp. and be personally handed to the Superintendent at 50 Lexington Avenue, along with this form. **Only bank checks, money orders or certified checks will be accepted. PERSONAL CHECKS CANNOT BE ACCEPTED.**

2. No moves are permitted before 9:00am or after 4:30pm. You must be completed with your move by 4:30pm. No moves are permitted on Saturday or Sunday.

3. All moves must be scheduled at least 48 hours in advance. Arrangements should be made with the building superintendent, Lennard Outar. He can be reached at 212-228-0119. Door people or other building staff do not have the authority to permit a move.

4. It is your responsibility to measure your furniture to determine if it will fit in the elevator car (the dimensions are provided below). *We strongly advise you to verify your furniture sizes prior to scheduling a move.*

DIMENSIONS OF FREIGHT ELEVATOR CAR: DOOR OPENING: 3' wide by 7' high. CAB HEIGHT: 8'. INTERIOR, DOOR TO DOOR: 3' .WALL TO WALL: 4' .LENGTH, LEFT TO RIGHT: 5 ½'.

If this document is not fully completed by the tenant, and then received and approved by the Superintendent (in accordance with the above stated rules), your scheduled move will not occur .

Signature: _____ Date: _____ 50 LEX APT # _____

Approved by: _____ Date: _____

POST MOVE OUT INSPECTION

This shall confirm that the move has been completed. I have inspected the service elevator and hallways and have determined:

APT.# _____ No damage has occurred: _____ Damage has occurred: _____

Describe damage: _____

Signature: _____ Date: _____

Superintendent signature: _____ Date: _____

LEX TENANTS CORP.

MOVE-IN AUTHORIZATION

DATE:

TO SUPERINTENDENT OF
50 LEXINGTON AVENUE
NEW YORK, NEW YORK 10010

Name of New Shareholder(s) _____

Apartment: _____

Telephone No: Day: _____ Evening: _____

Please read the following rules and information to make your move as expeditious and problem free as possible.

- 1) No Dogs allowed.
- 2) No move-ins or move-outs are permitted after 4:30 p.m. or before 9:00 a.m.
- 3) No moves are permitted on Saturday or Sunday, unless you have secured written permission from this office.
- 4) The elevator must be reserved 48 hours prior to your intended move date. Arrangements can be made with the building superintendent Lennard Outar .He can be reached at (212) 228-0119.
- 5) No move will be permitted unless you give this authorization to the superintendent. Door people, or other building staff, do not have the authority, at any time, to permit a move.
- 6) Move-in fee has been paid in the amount of \$300.00.

Above Read and Acknowledged:

By: _____
Shareholder

Shareholder

By: _____
Closing Department



July 14, 2002

All Shareholders and Resident
Lex Tenants Corp.
50 Lexington Avenue
New York, New York 10010

Balcony Rules

Ladies and Gentlemen:


The Board of Directors would like to reiterate the buildings' rules for the proper and safe use of the balconies. There are four areas that the Board wishes to emphasize:

1. The balconies must be easily accessible.
2. Open fires (charcoal, wood) are not permitted on the balconies.
3. Propane gas tanks/grills are strictly prohibited on the balconies.
4. Nothing is to be attached (glued or screwed) to the concrete surface of the balcony.

It is critical that everyone adheres to these measures to insure safety and provide protection against leaks. Lastly, it is requested that each resident keep a neat and tidy balcony to enhance the building's exterior appearance.

If you are in need of a full set of building rules, please obtain a copy from Lester Blanco at Matthew Adam Properties (212-699-8907). The rules are also available for review at your front desk. If you have questions, please call me at 212-699-8920.

Sincerely,


Janusz Sikora, RAM
Executive Vice President
Matthew Adam Properties, Inc.

50 Lexington Avenue **Balcony Rules and Regulations**

All tenants shall adhere to the following rules and regulations.

1. Tenants will be held responsible for the cost of repairs resulting from the damage caused by their actions or for their failure to properly maintain their balconies. Any damage caused to the building as a result of the tenant's negligence, including the installation of planters not in compliance with these regulations, shall be repaired at the sole cost and expense of the tenant. It shall be the responsibility of the tenants to assume the full cost of the repair of any leak damage that may have been caused directly or indirectly by the way the tenant has used the balcony.
2. It shall be the responsibility of the tenants to move or remove the planters and furniture at their own cost when requested to facilitate making repairs to the building. The Board retains its right to move or relocate any planter or furniture in order to gain access to any part of the balcony.
3. Tenants are not allowed to operate gas and charcoal grills or have open fires on balconies as per New York Fire Department regulations.
4. No surface of the balcony floors, walls, railings, soffits, balcony above (ceiling), or doors may be painted, coated, and/or decorated in any fashion, unless approval has been requested in writing and granted in writing by the Board. This includes the application of any deck covering i.e., outdoor carpeting, wood decking, bituminous surfacing, paint, cementitious materials, tiles, pavers.
5. No permanent structures, such as planters, furniture, fencing, and sheds shall be erected on the balcony deck. No awnings, trellises, gazebos or any other type of structure can be installed on the balconies. No hooks or screws shall be affixed to the balcony perimeter walls, floors, balcony above (ceiling), or rails.

6. All planters placed onto balconies shall conform with all of the requirements as set forth by the New York City Department of Buildings, the New York City Building Codes, and all Memorandums issued by the Housing Preservation and Development Agency, Department of Code Enforcement.
- a. Loads imposed by planters, furniture, etc., on balcony concrete decks shall not exceed 30 pounds per square foot when the soil within the planter is saturated with water. The planters shall not cover more than 20% of the balcony deck. Maximum depth of soil shall not be more than 12". This is to limit the concentrated load placed on the balcony deck.
 - b. Placement of planters and furniture must not block the legal means of egress or access onto the balcony.
 - c. Planters shall be constructed and maintained to be sturdy with weep holes at the bottom to allow for drainage and to prevent heavy saturated soil conditions from developing. All planters shall be raised at least 3" above the balcony deck to prevent plant roots from growing from the bottoms of the planters or flowerpots down into the balcony deck and penetrating the waterproofing membranes and/or deck finishes. This will also allow free flow of surface runoff water draining from all areas of the balcony deck.
 - d. Wind driven soil and/or debris shall not be allowed to accumulate on the balcony deck and act as a medium for the germination of wind driven seeds.
 - e. Each planter shall be constructed so as to contain securely the soil and plantings. Any planters that break apart or become open at the seams shall be removed from the balconies or repaired immediately. It shall be the responsibility of the tenants to maintain the planters at their own cost.
 - f. All planters and furniture shall be moveable to accommodate maintenance of the balcony deck surface and the perimeter wall and railings. All planters and furniture shall be constructed and maintained so as to be moveable by the tenant.

g. No plant shall be placed on the balcony deck and be allowed to grow higher than 72" above the balcony deck. No plantings shall be allowed to grow beyond the perimeter of the balcony railings. All plants must be pruned to stay within the maximum allowable size.

h. Box type planters and/or flowerpots shall not be hung on the outside face of balcony rails. No objects or planters may rest on top of balcony rails, cornices, or parapets, or be attached to them in any way.

i. It is recommended that planters be self-contained units constructed of non-flammable lightweight materials such as fiberglass reinforced plastic.

7. All furniture and planters shall be of sufficient weight to prevent them from being blown over the side of the balcony.

8. Sun umbrellas shall not be placed on the balconies.

9. The superintendent and/or the managing agent are required to regularly monitor all balconies for their compliance to these rules and regulations. The Board may also enlist the service of a professional engineer to determine the appropriateness of furniture or planters on the balconies. The engineer's determination will be final. Any costs related to such an evaluation shall be the responsibility of the respective tenant.

10. The Board retains its right to modify these rules and regulations as circumstances warrant.



July 9, 2007

All Shareholders and Residents
Lex Tenants Corp.
50 Lexington Avenue
New York, New York 10010

Roof Party Rules

Ladies and Gentlemen:

In order to keep the building surroundings and its tenants safe, please adhere to the following rules regarding the roof/sundeck. While we do not want to inconvenience you, or restrict your fun, at the same time we ask that you respect these moderate limitations so that we can all enjoy access to the roof.

- No glass of any kind is allowed
- No one under the age of fourteen is permitted on the deck without adult supervision
- No cooking/grilling is permitted
- No loud noise is allowed
- Do not throw any objects or debris (ie; cigarette butts, paper) from the roof
- Do not leave garbage behind – use the trash cans provided
- Gatherings on the roof of more than 15 guests per apartment requires:
 - a. Prior Board approval and registration with Superintendent
 - b. Security deposit of \$150


The security deposit should be made out to "Lex Tenants Corp" and given to the Superintendent prior to the gathering. It will be returned the following day provided that porter cleanup is not required and nothing was damaged.

The roof/sundeck is open 7 days a week from 8:00 am to midnight. An alarm will sound should access be attempted after these hours.

Lastly, we ask that you respect your neighbors on the 27th floor and be extremely quiet in the hallways while going to and from the roof. It is also courteous not to drag the deck furniture to your desired location as that can be heard in the apartments below.

Thanks for your cooperation and enjoy your summer!

Very truly yours,


Janusz Sikora, RAM
Executive Vice President

August 16, 2000

To the Tenant Shareholders of
Lex Tenants Corp.

Re: **ROOF/SUNDECK RULES**

Ladies and Gentlemen:

In order to keep the building surroundings and its tenants safe, please adhere to the following rules regarding the roof/sundeck. While we do not want to inconvenience you, or restrict your fun, at the same time we ask that you respect these moderate limitations so that we can all enjoy access to the roof.

- No glass (of any kind) is allowed.
- No one under the age of fourteen is permitted on the deck without adult supervision. No cooking/grilling is permitted.
- No loud music or noise is allowed.
- Do not throw any objects or debris (i.e., cigarette butts, paper) from the roof.
- Do not leave garbage behind-use the rash cans provided.
- Gatherings on the roof of more than 15 guests per apartment requires:
 - a. Prior Board approval and registration with Superintendent.
 - b. Security deposit of \$150.00
The security deposit should be made out to " Lex Tenants Corp " and given to Superintendent prior to the gathering. !t will be returned the following day provided that porter cleanup is not required and nothing is damaged.

The roof/sundeck is opened 7 days a week from 8:00 am to midnight. An alarm will sound should access be attempted after these hours.

Lastly, we ask that you respect your neighbors on the 27th Floor and be extremely quiet in the hallways while going to and from the roof. It is also courteous not to drag the deck furniture to your desired location as that can be heard in the apartment below!

Thanks for your cooperation and enjoy your summer!

Very truly yours,

Lex Tenants Corporation

February 8, 2001

*Tenant Shareholders
Lex Tenants Corp.
50 Lexington Avenue
New York, New York 10028*

Re: Sublet Fee

Ladies and Gentlemen:

There have been some questions raised about the corporation's sublet policy, and the information is being re-circulated for clarification.

At our December 13, 1999 meeting, the Board of Directors approved a sublet fee, which was implemented effective February 1, 2000 for all new leases signed thereafter, and at the anniversary date of each pre-existing sublease.

This fee will be equal to 10% of the yearly maintenance of the sublet apartment. This fee will be collected at the start of the lease and on each subsequent renewal, via your monthly maintenance billing.

If you wish to sublet your apartment, kindly contact Matthew Adam Properties at 212-699-8900. Please be aware that in order for a new subtenant to move in, the building staff must receive proper authorization from management. If such authorization is not received, no move-in will take place.

Very truly yours,

Lex Tenants Corporation

Tenant Work Order Request: 50 Lexington Avenue

DATE REQUESTED: _____

TENANT'S APT. #: _____

TENANT NAME (PRINT): _____

TENANT PH #: _____

SHAREHOLDER OR SUBLETTER (Please circle one)

DOES SUPERINTENDENT HAVE PERMISSION TO ENTER APT? YES OR NO
(Please circle one)

(If permission to enter is not given, please see the Superintendent to arrange for a mutually convenient time for repairs to be assessed/made).

DESCRIBE PROBLEM:

TENANT SIGNATURE: _____

SUPERINTENDENT VERIFICATION: _____

DATE COMPLETED: _____

REMARKS: _____

TENANT VERIFICATION: _____

February 17, 2000

*Tenant Shareholders of
Lex Tenants Corp.
50 Lexington Avenue
New York, New York 10010*

Re: Bounced Check Policy

Ladies and Gentlemen:

At their February 7, 2000 meeting, the Board of Directors adopted the following bounced check policy that will take effect March 1, 2000:

Any tenant or shareholder check, issued to "Lex Tenants Corp.," that is returned for insufficient funds will be charged a fee of \$50 which will be included in your next maintenance bill. This charge will be evident and payable on your next monthly statement.

If you should have any questions regarding this policy, please do not hesitate to contact me.

Thank you.

Very truly yours,

Lex Tenants Corporation

LEX TENANTS CORP.

50 LEXINGTON AVENUE

INSURANCE AND CLOSING REQUIREMENTS

1. Buyer(s) must bring to closing, proof of homeowner's insurance for no less than \$300,000 liability. The closing will not take place without this. Lex Tenants Corp. must be named as additional insured or interested party.
2. The original stock certificate and proprietary lease must be brought to closing.
3. If closing by power of attorney, it must be faxed at least three days prior to closing for review.
4. There is a lost instrument fee of \$500 per lost item. There is an adjournment fee of \$300.00 with less than two full business days notice.
5. We allot two hours for a closing. There is an overtime fee of \$300 per hour, payable to Matthew Adam Properties, Inc.

Applicant

Date

Applicant

Date