

TRUST TRANSFER INDUCEMENT AGREEMENT

AGREEMENT dated _____, between (Names of Shareholders), residing at (Address) as Grantors (the "Grantors"), (Name), as Trustee (the "Trustee") of the (Names of Shareholders) Irrevocable Asset Management Trust (the "Trust") and (Name of Corporation), a New York cooperative apartment corporation, having an office c/o (Managing Agent)

RECITALS:

The Grantors are the holders of XXX shares (the "Shares") allocated to and the proprietary lease (the "Lease") appurtenant to Apartment XXX (the "Apartment") located at (Address). The Grantors and Trustee acknowledge that the (Name of the Corporation) is not required to issue shares of the Corporation or a Proprietary Lease to a trust under the provisions of the Corporation's Proprietary Lease or by-laws (the "By-Laws").

This Inducement Agreement is being executed in order to induce the Corporation to consent to the proposed transfer.

NOW, THEREFORE, in consideration of the foregoing recitals, and the promises and covenants contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Occupancy of Apartment.** Upon the transfer and assignment of the Shares and

the Lease to the Trust, the Trust shall be the proprietary lessee of the Apartment for all purposes, except for the purpose of occupancy of the Apartment. Notwithstanding anything to the contrary contained in the Lease, the Trust or any other document executed in connection with the transaction contemplated by this Agreement, the Apartment shall not be occupied by anyone except for the Grantors without the Corporation's express written consent in each instance. There are no "immediate family members" of the Trust. Any violation of this Agreement shall be considered a default by the Trustee, as lessee, under the provisions of the Lease. The occupancy of the Apartment shall be subject at all times to the Lease (including house rules) and the By-Laws. Should the Grantors permanently cease to occupy the Apartment for any reason or should the Trust be terminated, the Trustee shall promptly offer the Apartment for sale and use the Trustee's best efforts to sell the Apartment as promptly and as reasonably practicable.

2. **No Subletting or Assignment Without Consent.** The Trustee acknowledges and understands that the By-Laws and Lease provide that the Shares are transferable only as an entirety and only to an assignee of the Lease approved in writing in accordance with the provisions of the Lease. The Trustee shall not thereafter sell, assign, encumber or transfer the Apartment, Shares and Lease or any interest therein or thereto, in whole or in part, to any person, or sublet or allow any other person to occupy the Apartment without the express written consent of the Corporation. As a condition to the Corporation's approval of the transfer of the Shares and the Lease to the Trustee, the Trustee and the Grantors acknowledge and agree that, notwithstanding any purported future disposition of the Apartment (whether pursuant to t

terms of the Trust, or otherwise), the Corporation retains and reserves the right granted to it under the Lease and the By-Laws to review and approve or reject in its sole discretion (i) any subletting of the Apartment, and (ii) any further transfer of the Shares and/or Lease, whether by the Grantors or by the Trustee or otherwise, including, without limitation, any disposition of any interest in the Shares and/or the Lease as a distribution of all or any part of the assets of the Trust, and whether such purported disposition occurs during either of the Grantors' lives, by reason of the exercise of any power of appointment or any fiduciary power under the Trust, by reason of the death of the Grantors or the termination of the Trust, and whether to a beneficiary of the Trust, to another trust or otherwise. Except to the extent approved in writing by the Corporation, any purported further transfer of any interest in the Shares or the Lease (or any rights or benefits attributable to the Shares or Lease), whether willfully, by operation of the terms of the Trust, by operation of law, or otherwise, shall be void and shall not be recognized or given effect on the books and records of the Corporation.

3. **Corporation's Reliance Upon Trustee's Covenants and Representations.** The

Grantors and the Trustee recognize that the Corporation is relying upon the representations, covenants and agreements set forth in this Inducement Agreement and any other instruments executed in connection with this Agreement in permitting the transfer of the Shares and the Lease, and that the Corporation would not otherwise consent to such transfer. The Trustee represents that the Trustee is authorized and empowered under the Trust to execute and deliver on behalf of the Trust this Inducement Agreement and all related documents, instruments and agreements, and to pay all maintenance, fees and other amounts required under the Lease and in connection with the transfer of the Shares and the Lease and the ownership thereof by the Trust.

4. **Default.** A default by the Grantors and the Trustee under this Agreement or any other instrument executed in connection with this Agreement shall be deemed a default under the Lease.

5. **Conflicts and Inconsistencies.** To the extent there is any conflict or inconsistency between the terms of the Trust, on the one hand, and the terms of this Agreement, the Lease, the By-Laws or Offering Plan, as the same may be amended from time to time, on the other, the terms of this Agreement, the Lease and the By-laws shall prevail.

6. **Costs and Expenses Incurred by the Corporation.** The Grantors and the Trustee acknowledge that they are obligated to pay the fees of the Corporation's attorneys for the preparation of this Inducement Agreement, the other transfer documents, for the review of the Trust, and other related matters. Any and all costs and expenses, including without limitation, reasonable attorneys' fees and disbursements in connection with this Agreement or the enforcement of its or their terms, which the Corporation may incur shall be deemed additional rent under the Lease.

7. **Indemnity.** The Grantors and the Trustee covenant and agree to defend,

indemnify and hold harmless the Corporation, its board of directors, its agents, attorneys, servants and/or employees, from and against any and all claims, losses, causes of action, damages, and liability, including, without limitation, reasonable attorneys' fees and disbursements, incurred in connection with or arising under this Agreement and/or by reason of the transfer of the Apartment, the Lease, and/or the Shares to the Trustee and/or the occupancy of the Apartment.

8. Miscellaneous.

(a) The Grantors and the Trustee irrevocably consent to the jurisdiction of the New York courts and consent to the service of process on them and on the Trust by certified mail addressed to the Apartment. The Grantors and the Trustee hereby irrevocably waive all objections as to venue and any and all rights they may have to seek a change of venue with respect to any action or proceeding brought by or on behalf of the Corporation. The Grantors and the Trustee agree that any judgment rendered against them in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Grantors and the Trustee further agree that any action or proceeding by them against the Corporation, its board of directors, agents, servants and/or employees in respect to any matters arising out of or in any way relating to this Agreement shall be brought only in the State of New York, County of Bronx.

(b) No consent or waiver, express or implied, by the Corporation to or of any breach of any covenant, condition or duty of the Grantors and the Trustee shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, condition or duty unless in writing signed by Corporation.

(c) Any notice hereunder shall be in writing and shall be deemed duly served if mailed by certified mail, return receipt requested, addressed, if to the Grantors and the Trustee, at the address of the Apartment, and, if to the Corporation, at the address of Corporation first set forth above, or to the attention of such other person or at such other address as the Corporation shall have last designated by notice in writing to the Grantors and the Trustee. Notice shall be deemed served on the third day after mailing. Copies of notices to the Corporation shall be served in like manner to the Corporation's attorney: (Name of attorney) or at such other address as the Corporation's attorney shall have last designated by notice in writing to the Grantors or the Trustee.

(d) This Agreement may be modified only by a written instrument signed by the Grantors, the Trustee and the Corporation.

(e) This Agreement shall be binding on the estates, heirs, executors, administrators, personal representatives, successors and assigns of each of the undersigned (including any successor trustees).

(f) This Agreement shall be governed by the internal laws of the State of New York, without giving effect to principles of conflicts of law. The invalidity or unenforceability or any provision of this Agreement shall not affect or impair any other provision.

9. Joint and Several Liability.

The obligations of (Names of Shareholders) and the Trust under this Agreement shall be joint and several.