

Exhibit B
Included as a part of the Sales Agreement by and between Waterfront Park Place, LLC
and
_____s for Unit No. _____

**RULES AND REGULATIONS FOR CONDOMINIUM UNIT CONSTRUCTION
PERFORMED BY PURCHASER**

Waterfront Park Place, LLC (“Seller”) agrees to sell Unit _____, as designated in the Sales Agreement (the “Condominium Unit”), to the Purchaser in its current condition as an unfinished shell and allow Purchaser to design and construct the interior finishes to complete the Unit to the Purchaser’s satisfaction, subject to the provisions of this Exhibit B, after the closing transaction. Because the building is partially occupied by other residents and because any ongoing construction activity can substantially impact other units under construction, other occupied units, and the common areas of the condominium regime, Purchaser agrees to be bound by the terms hereof and acknowledges that it is important to ensure that the construction not cause property damage, create a hazard, or inconvenience others within the building.

The following conditions of this Exhibit B, attached to and made a part the Sales Agreement, are mutually agreed-upon to ensure the orderly progress of the work and protect the interests of the Purchaser, the Seller, and the Waterfront Park Place Condominium Association, Inc and its members (the “Association”).

1. GENERAL PROVISIONS

- B.1.2 The Seller and the Association shall be granted access to the Condominium Unit in its unfinished condition and during construction as may be reasonably required for security, inspections and building management operations.
- B.1.3 Any unit construction activity on the premises shall be subject to and performed in strict accordance with guidelines, rules, and directives in the Sales Agreement, the Master Deed, and this Exhibit B, or as may be further modified or augmented by Rules and Regulations adopted by the Association and in force at the time of the unit construction activity. Failure to comply with these requirements by the Purchaser or any employee, contractor, supplier, or tradesman working for the Purchaser shall result in an order to stop work and vacate the premises. In this event, access to the building will be denied to all but the Purchaser. Re-commencement of work on the Condominium Unit cannot begin until any and all

violations of the Rules and Regulations are resolved to the satisfaction of the Seller and the Association.

- B.1.4 As provided in the Sales Agreement, Purchaser must complete the construction of the Condominium Unit within 2 years from the closing date. Purchaser acknowledges it shall not be permitted to undertake any new plumbing or electrical work below the floor, or otherwise requiring access below the floor, or outside the Unit, for the subject Condominium Unit as soon as is practical.
- B.1.5 Seller will engineer and construct the below-floor plumbing and core drilling at Seller's expense. The mechanical engineers of record for the building will provide HVAC zone requirements at Seller's expense.
- B.1.6 The Purchaser shall indemnify and hold harmless the Condominium Association, Seller, Bravura Corporation, any other unit owner within the condominium, their agents and employees from and against all claims, damages, losses, and expenses including attorney's fees arising out of or resulting from the performance of the Purchaser's design professional or contractor or from the performance of any other person or entity retained directly or indirectly by Purchaser to conduct construction activities.
- B.1.7 Seller may assign any inspection or approval rights hereunder to the Association upon written notice to Purchaser.

2. DESIGN PROFESSIONAL CONTRACT DOCUMENTS

- B.2.1 Prior to closing, or by a date designated in writing signed by both parties, Plans and Specifications for the interior construction of the Condominium Unit shall be prepared by a design professional selected and employed by the Purchaser. Said plans shall be subject to approval of Seller, which approval shall not be unreasonably withheld. The design professional shall contract with engineers of record for the building, or such engineers as Seller may choose, as sub-consultants for the mechanical, electrical, plumbing, and fire protection systems within the Condominium Unit; and with Structural Design Group (engineers of record for the building) for any modifications or questions about the structural system.
- B.2.2 The Purchaser's design professional shall provide evidence of insurance, including Professional Liability coverage of at least \$1,000,000.
- B.2.3 The design professional shall be responsible for code compliance and all governmental agency approvals for the project. Plans must comply with the Fair Housing Act requirements.
- B.2.4 Seller will provide sample drawings and unit-specific information to the design professional and Purchaser regarding existing conditions, shaft locations, building

services, the exterior window-wall system, standard building details (including 6” perimeter window pockets, 9’-0” ceilings in living spaces, accessible ceilings in areas requiring mechanical and plumbing access, etc.), and restrictions (including color of window treatments and prohibited attachments or penetrations to the window-wall system. The design professional shall verify all existing field conditions.

- B.2.5 Plans prepared by the design professional must be reviewed and approved by the Seller when completed. Purchaser shall require written approval to proceed with construction based upon the final approved construction plan, which approval shall not be unreasonably withheld. Purchaser is responsible for the final Mechanical Design Package, to include: Plumbing, Electrical, and HVAC design.
- B.2.6 The Purchaser's unit shall be constructed under the terms of the construction plans prepared by the design professional and approved by the Seller and in compliance with this Exhibit B.

3.0 SUPERVISION AND CONSTRUCTION PROCEDURES

- B.3.1 The Purchaser shall be responsible for the performance and actions of any contractor retained by Purchaser and/or the performance and actions of any subcontractors or sub-subcontractors retained by Contractor.
- B.3.2 All construction shall be done under the direction of a qualified general contractor approved by Seller. Prior to the commencement of any work on the Condominium Unit, the proposed general contractor shall acknowledge in writing Contractor's obligations hereunder and the Seller's, or its assignee's authority to stop work and otherwise enforce the provisions hereof and shall sign and deliver to Seller, or Seller's assignee, a Copy of this Exhibit B. By signing Exhibit B Contractor shall further acknowledge that any recourse for any damage or exposure incurred by Contractor as a result of any stop work order or other action taken by Seller to enforce this agreement shall be against Purchaser only and not against Seller. In addition to the general contractor, the HVAC, plumbing, electrical, and fire-suppression subcontractors shall be approved in advance by Seller.
- B.3.3 The Contractor shall supervise, coordinate and direct the work of all Subcontractors and Sub-Subcontractors. Without limiting the responsibility of the Purchaser, the Contractor shall be responsible for all work executed by him under the Contract, and will be held responsible for any error or remediation expense resulting from his failure to do so.

- B.3.4 The Contractor agrees to furnish competent superintendents and to use his best efforts to furnish at all times an adequate supply of qualified workmen, materials and equipment, and to perform the work in the best and soundest way and in the most expeditious manner consistent with good construction and the Rules and Regulations of this Exhibit B. The Superintendent will be the Contractor's representative on-site and shall have the authority to act on behalf of the Contractor. All communications given to the Superintendent shall be as binding as if given to the Contractor.
- B.3.5 Work shall be performed in the best, most workmanlike manner by mechanics skilled in their respective trades and respectful of Waterfront Park Place and its residents. Standards of work shall be required throughout as will bring first class results.
- B.3.6 The Contractor shall at all times enforce strict discipline and good order among its employees, and any superintendent, foreman or other employee of the Contractor who shall appear to be incompetent, disorderly, or in any way unqualified or unfaithful to the work entrusted to him, or to the Rules and Regulations of this Exhibit B, shall be discharged and shall not again be employed on the work.
- B.3.7 No on-site parking is provided for any construction personnel, unless approved in advance by the Seller for purposes of loading and unloading. The Purchaser and Contractor shall enforce this provision and take responsibility that all subcontractors follow this provision at all times.
- B.3.8 The Contractor is responsible for the cost and logistics of the disposal of waste resulting from construction activities. Separate waste collection arrangements may or may not be practical at the time of the unit construction, and collection may be combined with other functions and the cost back-charged to the Contractor. The selected method of waste disposal is at the sole discretion of the Seller.
- B.3.9 The Contractor, in performing work under this contract shall not discriminate against any workers, employees, or applicants, or any member of the public, because of race, creed, color, religion, age, sex, or national origin, nor otherwise commit an unfair employment action
- B.3.10 The Contractor shall secure certificates of inspection and occupancy that may be required by authorities having jurisdiction over the work and shall deliver same to the Architect upon completion of the work. The Architect shall deliver copies of the certificates to the Condominium Association as a condition of occupancy by the Purchaser.

4. OBLIGATION TO PROTECT PROPERTY

- B.4.1 Purchaser shall be responsible for the cost of repair of any and all damage done to the common areas or limited common areas of the building by the Purchaser, his employees, contractors, suppliers or tradesmen. Prior to the commencement of any construction activity, Purchaser shall make a Damage Deposit in the amount of \$2,000; made payable to the Seller or its assignee. In the event the Purchaser, or its Contractor, does not make repairs as noticed by the Seller, the Damage Deposit shall be used to complete the repairs. At the completion of construction and the issuance of a Certificate of Occupancy for the unit, the Damage Deposit, less any deductions for damage repairs, shall be returned to the Purchaser.
- B.4.2 The Contractor shall keep areas adjacent to the premises or areas affected by the work free from rubbish, encumbrances or any obstacles resulting from the construction operations, and in safe condition to the satisfaction of the Seller and of the authorities having jurisdiction.
- B.4.3 The Contractor shall cut off any mains or control valves as required, and suitably cap, plug or otherwise protect all water, sewer, gas, electric, mechanical piping, or other services entering the premises
- B.4.4 Maximum precaution shall be taken against fire, smoke, and offensive odors throughout all areas affected by the work and operations of the Contractor. The amount of inflammable material shall be reduced to a minimum consistent with the proper handling and storing of such materials. The Contractor shall not permit fires to be built or open salamanders to be used in any part of the work. Any method of temporary heating must be approved in advance by the Seller.
- B.4.5 The Contractor shall keep all exterior doors, openings, and all interior access doors within the premises closed and secured when the unit is not occupied by construction operations, and at all times when access to the premises is not required for construction operations or ventilation.
- B.4.6 The Contractor shall respect the privacy, security and rights of other building residents at all times. No personnel shall be allowed in any areas of the building except the construction premises, direct passageways to and from the premises, and the freight elevator; or as otherwise approved in advance by the Seller. He shall insure the compliance of all his employees, subcontractors, suppliers or tradesmen with this requirement.
- B.4.7 The Contractor shall minimize disturbance to others within the building, and shall only allow construction activity to occur during certain hours as specified in the Master Deed, or as may be designated from time to time by the Seller or its assignee.

- B.4.8 The Contractor shall provide the Purchaser and the Seller with a copy of all reports of accidents and claims arising out of or in connection with the performance of the work. Contractor shall immediately notify them of accidental death, major injury to persons, or extensive damage to the work. If any claim is made by anyone against the Contractor or any subcontractor on account of any accident, the Contractor shall promptly report the facts in writing to the Purchaser and the Seller, giving full details of the claim.
- B.4.9 The Contractor shall provide at the site, and make available to all workmen, medical supplies and equipment necessary to supply first aid service to all persons injured in connection with the work.
- B.4.10 The Contractor shall prohibit firearms on the project site.
- B.4.11 The Contractor shall at all times comply with the, rules, and regulations of the Association. He shall appropriately cooperate, coordinate and comply with directives and procedures from the Building Management and Security staff. The Seller and the Association shall have the right to stop the work of the contractor for violations of any such provision.

5. INSURANCE

- B.5.1 The Contractor shall indemnify and hold harmless the Purchaser, the Association, the Property Manager, Waterfront Park Place, LLC, their agents and employees from and against all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting from the performance of the contract provided that such claim, damage, loss or expense (1) is attributable to personal injury, bodily injury, sickness, disease or death, or to injury to or destruction of property, including the loss of use resulting there from, and (2) is not caused by the negligent act or omission or willful misconduct of the indemnified entities, or their employees, subcontractors or agents acting within the scope of their employment.
- B.5.2 The Contractor shall not allow any Subcontractor to commence work until the insurance required of such Subcontractor has been obtained unless the Contractor's General Liability policy specifically provides Independent Contractor's Protective Coverage.
- B.5.3 Before construction can commence, the Contractor shall provide a Certificate of Insurance evidencing coverage Showing the Purchaser, Waterfront Park Place, LLC, and Waterfront Park Place Condominium Association as Certificate Holders and "Additional Insured" as respects operations of the

Named Insured; and provision for no less than 30 days written notice to Certificate Holders of cancellation before the expiration date.

B.5.4 Insurance is to be placed with Insurance Companies with an A.M. Best rating of no less than "B+ VIII."

B.5.5 The insurance to be procured and maintained and minimum Limits of Liability shall be as follows:

1. COMPREHENSIVE GENERAL LIABILITY OR COMMERCIAL GENERAL LIABILITY, via the Occurrence Form, with a \$1,000,000 Combined Single Limit for any one occurrence for Bodily Injury, Personal Injury and Property Damage; with a \$3,000,000 annual aggregate including: (a) Premises-Operations Coverage, (b) Products, (c) Contractual Liability, (d) Broad Form Property Damage, and (e) Independent Contractors Protective Liability.
2. AUTOMOBILE LIABILITY: \$500,000 combined single limit per accident for bodily injury and property damage.
3. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY: Worker's Compensation limits as statutorily required by the Labor Code of the Commonwealth of Kentucky, and employer's liability limits of \$1,000,000 per accident.

6. ACKNOWLEDGEMENTS AND AGREEMENT BY CONTRACTOR

Seller and Purchaser acknowledge with their signatures below that the terms of this Exhibit B shall control the finish construction of the Condominium Unit. General Contractor acknowledges that compliance with the terms, rules and regulations of this Exhibit B is a material obligation under Contractor's agreement with Seller for the performance of construction work on the Condominium Unit. Contractor further acknowledges and agrees to recognize the right of the Seller and the Association to take all action necessary to enforce the terms of this Exhibit B. Contractor further acknowledges that the sole obligations to pay it for work performed on the Condominium Unit belongs to Purchaser and that neither Contractor nor its subcontractors shall have any recourse against Seller or property owned by Seller.

"SELLER"

Waterfront Park Place, LLC

By: _____

Its: _____

"PURCHASER"

"General Contractor"

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