

LIMITED LIABILITY COMPANY

OPERATING AGREEMENT

OF

2845 ASSOCIATES LLC

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(ii)

OPERATING AGREEMENT

This Agreement, dated Sept 1997, by and between the undersigned members, is hereby adopted as the written Operating Agreement of 2845 Associates LLC, and

WHEREAS, this agreement does not contain any provisions inconsistent with the Articles of Organization of this Company, and

WHEREAS, the members wish to set forth provisions relating to the business of this limited liability company, the conduct of its affairs and the rights, powers, preferences, limitations or responsibilities of its members, managers, employees or agents, as the case may be,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agree as follows:

ARTICLE I  
DEFINITIONS

1. Words and phrases set forth within this Operating Agreement which relate to the business of this limited liability company or the conduct of its affairs or the rights, powers, preferences, limitations or responsibilities of its members, managers, employees, or agents, as the case may be, or to any matter which this limited liability company is required or has done under mandate of law or the fulfillment of this Operating Agreement, shall be defined as it has been defined in Section 102 of the New York Limited Liability Company Law or in other applicable statutes or rulings.

ARTICLE II  
FORMATION

1. The undersigned have authorized the formation of this limited liability company by an organizer who prepared, executed and filed with the New York Secretary of State, the Articles of Organization pursuant to the New York Limited Liability Company Law, on the day of 1997

2. The name of this Limited Liability Company is 2845 LLC

3. The Company is formed for any lawful business purpose and shall have all the powers set forth in Sec. 202(a)-202(q) of the New York Limited Liability Company Law.

4. The principal place of business of this Company shall be located at 145 Huguenot Street, New Rochelle, NY 10801 Room 530 in the County of Westchester, New York.

5. The name and registered office address of the Registered Agent of this Company is n/a

(If none designated, so state)

6. The Secretary of State of New York is designated as agent of this Company upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of such process against the Company served upon him is:

145 Huguenot Street, Room 503

New Rochelle, New York 10801

7. The Company has 12/31/2097 a specific date of dissolution, to wit, 12/31/2097, unless sooner dissolved pursuant to this Agreement or pursuant to the provisions of the New York Limited Liability Company Law.

### ARTICLE III MEMBERS/MANAGERS

1. Unless specifically set forth otherwise in the Articles of Organization or by amendment thereto, management of this Company shall be vested in the members, who shall be subject to all of the rights, duties, privileges and liabilities of Managers, as set forth in the New York Limited Liability Company Law. Such members names and addresses shall be set forth in the Books and Records of this Company.

2. The vote of a majority in interest of the members entitled to vote shall be required to admit a person as a new member and issue such person a Membership Interest in this Company. Such new member shall not be entitled to any retroactive allocation of income or losses, or taxable deductions heretofore incurred by this Company.

3. This Company shall keep books and records pursuant to Sec. 1102 of the New York Limited Liability Company Law, either in written form or in other than written form if easily converted into such written form within a reasonable time. Such books and records shall be maintained on a cash basis pursuant to this Agreement, and the Accounting Year of this Company shall end on December 31.

4. Each member may inspect and copy, at his own expense, for any purpose reasonably related to such member's interest as

a member, the Articles of Organization, the Operating Agreement, minutes of any meeting of members and all tax returns or financial statements of the Company for the three years immediately preceding his inspection, and other information regarding the affairs of this Company as is just and reasonable.

5. No member shall be personally liable for any debts, obligations or liabilities of this Company or of any other member, solely by reason of his being a member of this Company, whether such debt arose in contract, tort or otherwise. However, such member shall be personally liable for the payment of his Capital Contribution or for any other matter which may be set forth in this Operating Agreement. A member shall have the option to waive such limitation of liability pursuant to Section 609 of the New York Limited Liability Company Law and may be legally liable pursuant to other applicable law in his capacity as a member.

6. The vote of at least three-quarters in interest of the members entitled to vote thereon shall be required to approve the sale, exchange, lease, mortgage, pledge or other transfer or disposition of all or substantially all of the assets of this Company.

7. If the Articles of Organization provide that the management of this Company shall be vested in a manager or managers or class or classes of managers, then the management of this Company shall be so vested in accordance with the New York Limited Liability Company Law, subject to any provision of the Articles of Organization or the Operating Agreement and Section 419 of said New York Limited Liability Company Law.

(a) The Names and Addresses of the manager or managers or class or classes of managers are set forth in the Books and Records of this Company. A manager may, but need not be, a member of this Company. The salary of the manager shall be fixed by the vote or written consent of at least the majority in interest of all members entitled to vote thereon. Such salary as manager shall be separate and distinct from any distributions made, should such manager be a member.

(b) Managers shall be elected by vote or written consent of at least a majority in interest of all members entitled to vote thereon. The number of managers may be amended by vote or written consent of at least two thirds in interest of all members entitled to vote thereon.

(c) A Manager shall hold office until the next annual meeting of members or until his earlier resignation or removal. Any manager may resign at any time by the giving of written notice thereof to this Company, provided however there is no violation of any provision of the Operating Agreement or any provision of a contractual agreement between this Company and the manager. The manager may be removed with or without cause by a vote of a majority in interest of the members entitled to vote thereon. The removal or resignation of a manager who is a member, does not affect in any way such manager's rights, duties, privileges and obligations as a member nor does it constitute a withdrawal as a member.

(d) Any vacancy occurring in the number of managers may be filled by vote or written consent of at least a majority in interest of all members entitled to vote thereon. Such newly elected manager shall be elected to serve the unexpired term of his predecessor. If the number of managers is increased by amendment to this Operating Agreement, then such new manager shall be elected by vote or written consent of at least a majority in interest of all members entitled to vote thereon.

(e) The manager shall have the power and authority on behalf of this Company to do all things as set forth in Sec. 202(a)-202(q) of the New York Limited Liability Company Law.

(f) If the management of this Company is vested in a manager, then no member, by reason of being a member, is an agent of this Company for the purpose of its business unless authority has been delegated to such member by the manager or by some other provision of this Operating Agreement. If the management of this Company is vested in the members, then every member is an agent of this Company for the purpose of its business and the act of every member, including the execution in the name of this Company of any instrument, for apparently carrying on in the usual way the business of this Company, shall bind this Company unless it is contrary to Sec. 412 of the New York Limited Liability Law.

(g) The manager shall perform his duties as a manager in good faith and with that degree of care which a reasonable and prudent person in a like position would use under similar circumstances. Each manager's liability to this Company or to its members for damages for any breach of duty in such capacity is eliminated, except if there is a final judgment or adjudication adverse to the manager that established that his acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he personally gained in fact a financial profit

or other advantage to which he was not legally entitled or that with respect to a distribution the subject of Sec. 508(a) of the New York Limited Liability Company Law. There may not be any elimination of liability for any act or omission committed prior to the adoption by this Company of a provision eliminating such liability.

(h) The manager shall not be required to manage this Company as his sole business interest but may, without liability to this Company or its members, be involved in the management of other entities and activities which do not adversely affect his capacity to exercise his obligations to this Company; nor shall this Company or its members have any right to participate in such other business interests or in income or profits therefrom.

8. Except as set forth in this Agreement, no member shall have the unconditional right to give, sell, assign, pledge, hypothecate, exchange or otherwise transfer to another, all or any part of his Membership Interest in this Company. Prior to a member securing the right to sell, assign, pledge, hypothecate, exchange or otherwise transfer all or part of his Membership Interest in this Company to another, such member must secure from the members such consent by vote or in writing of a majority in interest entitled to vote thereon, not including the member seeking such right. Nothing herein shall be deemed to prevent a member from granting an assignee the right to become a member upon condition that Sec. 604 of the New York Limited Liability Company Law is satisfied.

9. The member who desires to transfer his Membership Interest, shall give written notification of proposed transfer to each of the other members or to the Manager, as the case may be, of his intention to sell his Membership Interest. Each other member shall have the right of first refusal to purchase all of such Membership Interest upon such terms and conditions as were set forth in the notification of proposed transfer. Nothing herein shall be deemed to prevent all of the remaining members, if they so desire, to accept the terms of the notification of proposed transfer, in writing, on behalf of all of such remaining members. The failure to respond to the member seeking to transfer his Membership Interest within 30 days shall result in the termination of such other member's right of first refusal. Should such member or members desire to exercise their right of first refusal on the terms set forth in the written notification of transfer, then the time, place and date of closing as designated by the members purchasing such Membership Interest shall be within 90 days from the date of such written consent to exercise such right of first refusal.



10. A member may withdraw as a member of this Company with the vote or written consent of at least two-thirds in interest of the members, other than the member who proposes to withdraw as a member. If such consent is not given, a member may withdraw upon not less than six months prior written notice to this Company, provided such withdrawal does not breach this Operating Agreement, the New York Limited Liability Company Law or any other contractual obligation between such proposed withdrawing member and this Company or its other members. Should such breach occur, then the withdrawing member may be liable for damages as a result thereof.

#### ARTICLE IV MEETINGS

1. This Company shall hold its annual meeting of members on 31st day of December or at such other time as shall be determined by vote or written consent of membership interests, at 145 Huguenot Street, New Rochelle, NY 10801 or at such other place also determined by vote or written consent of Membership Interests, for the purpose of transacting such business as may come before such meeting. Special Meetings may be called for any purpose by a manager or any member or group of members holding not less than ten percent of the Membership Interest.

2. Whenever it is anticipated that members will be required or permitted to take any action by vote at a meeting, written notice shall be given stating the place, date and hour of the meeting, stating the purpose of such meeting, and under whose direction such meeting has been called. Such notice of meeting shall be given personally or by first class mail, not less than ten nor more than fifty days before the date of such meeting. Such notice of meeting need not be given to any member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting.

3. A majority in interest of the members, in person or by proxy, entitled to vote shall constitute a quorum at a meeting of members for the transaction of any business. The members present, despite not being a quorum, may adjourn the meeting. No notice of adjourned meeting is necessary if the time and place of the adjourned meeting is announced at the meeting at which the adjournment is taken. At a meeting in which a quorum is initially present, such quorum is not broken by the subsequent withdrawal of any member, despite the fact that such withdrawal results in less than a quorum being present and all votes taken are binding upon the members of this Company. All acts at a meeting of members

at which a quorum is present, shall be the act of all the members and be binding upon them, except such vote requires a greater proportion or number of membership interests pursuant to the New York Limited Liability Company Law, or the Articles of Organization or this Agreement.

4. A member may vote in person by proxy executed in writing by a member. Every proxy so executed shall be revocable at the will of the member. Such proxy shall automatically be revoked, if prior to its use, the death or incompetence of the member occurred, and notice of such death or adjudication of incompetence is received by the Proxy Holder. A proxy is presumed to be revoked, whether or not it is stated to be irrevocable, if the member who executed such proxy, sells his Membership Interest prior to the date such proxy is scheduled to be exercised.

5. Whenever the members of this Company are required or permitted to take any action by vote, such action may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken shall be signed by the members who hold the voting interests having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all of the members entitled to vote therein were present and voted and shall be delivered to the office of this Company, its principal place of business or a manager, employee or agent of this Company. Delivery made to the office of this Company shall be by hand or by certified or registered mail, return receipt requested.

6. Every written consent shall bear the date of signature of each member who signs the consent, and no written consent shall be effective to take the action referred to therein unless, within sixty days of the earliest dated consent delivered in the manner required by this paragraph to this Company, written consents signed by a sufficient number of members to take the action are delivered to the office of this Company, its principal place of business or a manager, employee or agent of this Company having custody of the records of this Company. Delivery made to such office, principal place of business or manager, employee or agent shall be by hand or by certified or registered mail, return receipt requested.

7. Two or more members may enter into a binding agreement, in writing and executed by the members seeking to be bound, which provides that the Membership Interests held by them shall be voted in accordance with such Agreement or pursuant to any lawful procedure agreed upon by them.

**ARTICLE V  
MONEY MATTERS**

1. Each member of this Company shall contribute the amount set forth under his name as set forth in the Books and Records of this Company as the sole Capital Contribution to be made by him. Such contribution may be in cash, property or services rendered or a promissory note or other obligation to contribute cash or property or to render services. The failure of a member to make any required contribution shall be subject to any or all of the following consequences at the option of a majority in interest of the remaining members who shall be entitled to vote thereon.

- a. Reduction or elimination of the defaulting member's interest; and/or
- b. Subordination of the defaulting member's interest to that of the non-defaulting members; and/or
- c. Forced sale of the defaulting member's interest; and/or
- d. Forfeiture of the defaulting member's interest; and/or
- e. the lending by the other members of the amount necessary to meet the defaulting member's commitment; and/or
- g. Any other reasonable and lawful method to rectify such member's failure to meet his obligation.

2. An Account denominated as a Member Capital Account shall be maintained for each member. Each Member Capital Account shall be increased by the value of each Capital Contribution made by such member, allocations to such member of the net profits and any other allocations to such member of income pursuant to the Internal Revenue Code. Each Member Capital Account will be decreased by the value of each distribution made to the member by this Company, allocations to such member of net losses and other allocations to such member pursuant to the Internal Revenue Code. Upon sale or transfer by a member of his Membership Interest, such member's Member Capital Account shall thereupon become the Member Capital Account of the new member to whom such Membership Interest was sold or transferred in accordance with Sec. 1.704-1(b)(2)(iv) of the Treasury Regulations.

3. No member shall be responsible or liable to any other member for the failure to maintain a positive balance in his Member Capital Account, nor is he required to restore all or any part of a deficit balance in such Member Capital Account. However, such Member Capital Account must be maintained so as to comply with the provisions and requirements of Sec. 704(b) of the Internal Revenue Code.

4. Each member shall have equal rights or obligations as the case may be, whether for the return of Capital Contributions made to this Company or for Net Profits, Net Losses or for any distribution set forth in law or in this Operating Agreement. However, any loan or indebtedness owed to a member by this Company shall have priority in payment over other distributions.
5. Any member who receives a distribution from this Company based upon the value of his Capital Contribution and such member had no knowledge that such distribution violated Sec. 508(a) of the New York Limited Liability Company Law, then and in that event, such member shall have no liability to this Company or to its creditors for such distribution. However, if such member knew or should have known that such distribution was, at the time of such distribution, contrary to such statute, then, in that event, such member shall be liable to this Company for the amount of such distribution.
6. No member shall receive from this Company any part or portion of his Capital Contribution until all liabilities and debts of this Company have been paid and there remains sufficient assets in this Company sufficient to pay them, without placing the solvency of this Company in a reasonably disabling position. A statement from the Company's accountant to this effect shall be placed in the Books and Records of this Company.
7. The profits and losses of this Company and all other distributions shall be allocated among the members on the basis of the ratio of the monetary value of the Member Capital Account of each member to the total value of all Member Capital Accounts in this Company. All distributions to a member of this Company shall be offset by any amounts owing to this Company by such member. No distributions shall be made which render this Company insolvent.
8. No member shall be entitled to interest on his Capital Contribution nor is such member entitled as a matter of right, to a return, in part or in whole, of his Capital Contribution, notwithstanding anything to the contrary herein.
9. All necessary federal and state tax returns for this Company shall be prepared and filed. Each member shall furnish any information in his possession that may be necessary and pertinent to the preparation of such returns.
10. The Company shall:  
(a) Adopt the calendar year as its Fiscal Year.

(b) Adopt the cash basis as its method of accounting and keep its books and records on such basis.

(c) If a distribution as described in Sec. 734 of the Internal Revenue Code occurs or if a sale or transfer of a Membership Interest described in Sec. 743 of the Internal Revenue Code occurs, upon the written request of any member, to elect to adjust the basis of the property of the Company pursuant to Sec. 754 of the Internal Revenue Code.

(d) Elect to amortize the organizational expenses of this Company and the start-up costs of this Company under Sec. 195 of the Internal Revenue Code ratably over a period of sixty months as permitted by Sec. 709(b) of the Internal Revenue Code.

(e) To make any other election permitted by law that the Manager or Members may deem appropriate and in the best interest of the members.

11. Neither this Company nor any member may make an election for the Company to be excluded from the application of Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code or any similar provisions of applicable state law, and no provisions of this agreement shall be interpreted to authorize any such election.

12. One member or one manager, as the case may be, shall be designated as "tax matters partner" of this Company pursuant to Sec. 6231(a)(7) of the Internal Revenue Code. Any member or manager so designated shall take all actions as may be necessary to cause each other member to become a "notice partner" within the meaning of Sec. 6222 of the Internal Revenue Code.

#### ARTICLE VI DISSOLUTION

1. This Company shall be dissolved and its affairs wound up upon the first to occur of the following:

(a) The latest date on which this Company is to dissolve, if any, as set forth in the Articles of Organization, or by a judicial decree pursuant to Sec. 702 of the New York Limited Liability Company Law.

(b) The vote or written consent of at least two-thirds in interest of the members.

(c) The bankruptcy, death, dissolution, expulsion, incapacity or withdrawal of any member or the occurrence of

any other event that terminates the continued membership of any member, unless within six months after such event, this Company is continued either by vote or written consent of a majority in interest of all the remaining members.

2. Upon dissolution of this Company, the members or managers may, in the name of and on behalf of this Company, prosecute and defend suits, whether civil, criminal or administrative, settle and close this Company's business, dispose of and convey this Company's property, discharge this Company's liabilities and distribute to the members any remaining assets, all without affecting the liability of each and every member.

3. Upon dissolution, the assets of this Company shall be distributed as follows:

(a) To creditors, including members who are creditors, to the extent permitted by law, in satisfaction of liabilities of this Company, whether by payment or by establishment of adequate reserves, other than liabilities for distributions to members under Sec. 507 or Sec. 509 of the New York Limited Liability Company Law.

(b) To members and former members in satisfaction of liabilities for distribution under Sec. 507 or Sec. 509 of the New York Limited Liability Company Law.

(c) To members first for the return of their contributions, to the extent not previously returned, and second, respecting their Membership Interests, in the proportions in which the members share in distributions in accordance with Article V of this Agreement.

4. Within ninety days following the dissolution and the commencement of winding up the affairs of this Company, or at any other time there are no members, Articles of Dissolution shall be filed with the Secretary of State of New York. Upon such filing of Articles of Dissolution by the Secretary of State of New York, the Articles of Organization shall be deemed to be cancelled.

5. Upon liquidation of this Company within the meaning of Sec. 1.704-1(b)(2)(ii)(g) of the Treasury Regulations, if any member has a deficit Member Capital Account (after giving effect to all contributions, distributions, allocations and other adjustments for all Fiscal Years, including the Fiscal Year in which such liquidation occurs) the member shall have no obligation to make any Capital Contribution, and the negative balance of any Member Capital Account shall not be considered a debt owed by the member to this Company or to any other person for any purpose.

6. If not otherwise provided by this Agreement and if permitted by applicable law, upon dissolution, each member shall receive a return of his Capital Contribution solely from the assets of this Company. If, after payment or discharge of the debts and liabilities of this Company, such assets are insufficient to return any Capital Contribution of any member, such member shall have no recourse against any other member.

#### ARTICLE VII GENERAL CONSTRUCTION

1. When the masculine gender is used in this Agreement and when required by the context, the same shall include the feminine and neuter genders and vice versa.

2. No failure of a member to exercise and no delay by a member in exercising any right or remedy under this Agreement shall constitute a waiver of such right or remedy. No waiver by a member of any such right or remedy under this Agreement shall be effective unless made in writing duly executed by all members and specifically referring to each such right or remedy being waived.

3. This Agreement contains the entire agreement among the members with respect to the operation of this Company, and supersedes each and every course of conduct previously pursued or consented to and each and every oral agreement and representation previously made by the members with respect thereto, whether or not relied or acted upon. No amendment of this Agreement shall be effective unless made in writing duly executed by all members and specifically referring to each provision of this Agreement being amended. No course of conduct or performance subsequently pursued or acquiesced in and no oral agreement or representation subsequently made, by the members, whether or not relied or acted upon, shall amend this Agreement or impair or otherwise affect any members' obligations, rights or remedies pursuant to this Agreement.

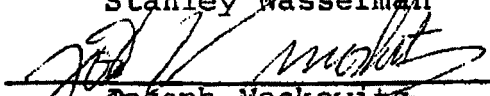
4. Any notice, demand or other communication required or permitted to be given pursuant to this Agreement or under the New York Limited Liability Company Act shall have been sufficiently given for all purposes, if given pursuant to the provisions of this Agreement or as set forth in the New York Limited Liability Company Act, as the case may be.

IN WITNESS WHEREOF, the persons signing this Agreement below conclusively evidence their agreement to the terms and conditions of this Agreement by so signing this Agreement.

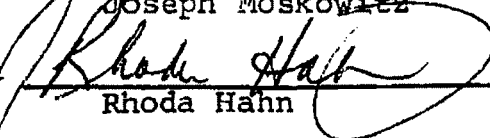
Stanley Wasserman  
having a 25.0% interest

  
Stanley Wasserman

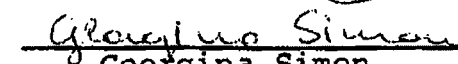
Joseph Moskowitz  
having a 12.5% interest

  
Joseph Moskowitz

Rhoda Hahn  
now having a 25.0% interest

  
Rhoda Hahn


Georgina Simon  
having a 12.5% interest

  
Georgina Simon

Jeanette Sebrow  
having a 12.5% interest

  
Jeanette Sebrow

Nillie S. Carmel  
habing a 12.5% interest

  
Nillie S. Carmel