

January 27, 2014

Telephone Conference Call regarding Insurance

Present at this meeting were the following Board of Director members: Kevin Doyle, Jerry LoMonte, Howard Geary, Barbara Collins, Roy Lippman, Angel Negron via telephone John McMorrow (as per new By-Laws allowed to participate and cast vote). In addition to the Board, David Becker, General Manager of Big Six Towers was also present and Host. Not present: Stu Markowitz, Elizabeth O'Hara.

Topic: RENEWAL OF INSURANCE FOR BIG SIX TOWERS

Two insurance proposals were to be voted on by Board Members:

1. Proposal containing following coverage:

Package 1: includes: Property, GL, Crime, Umbrella

Package 2: Directors & Officers Liability

Package: Fire Fee, Boiler Fee and Inspection Fees

2. Proposal: Boiler & Machinery Coverage (none of the nine companies approached would include this coverage with Package 1 & 2)

The Broker doing the research for the Big Six, at the recommendation of Douglas Elliman Property was: Innova Risk Management, LLC.

Innova approached the following NINE (9) markets:

Great American, Travelers, CAN, Affiliated, Program Brokerage, Philadelphia, Chubb, GNY

Of the nine (9) companies approached only one (1), Travelers would insure us, and they would not insure coverage of the Boiler & Machinery (Power Plant). A second carrier, Hartford Steam Boiler will cover Power Plant.

Innova provided a detailed report regarding the coverage of all policies on January 15, 2014. At that time the companies advised Innova. Innova informed Big Six Management that all nine decisions were either: Pending or under review. Management in turn sent via e-mail or hard copy the information they received from Innova, so that Directors could review.

On the 27th at the Telephone Conference, Management advised the Board of information that they received that morning from Innova. Eight of the Nine companies approached would not write coverage for the Big Six. It should be noted that coverage of our current policy expires Feb 2, 2014. Unlike personal insurance there is NO 30 day extension.


A motion was made by Jerry LoMonte to accept the only Coverage that was available; this motion was seconded by Howard Geary. A vote was conducted.

The following Board Member voted YES: Kevin Doyle, John McMorrow, Jerry LoMonte and Howard Geary.

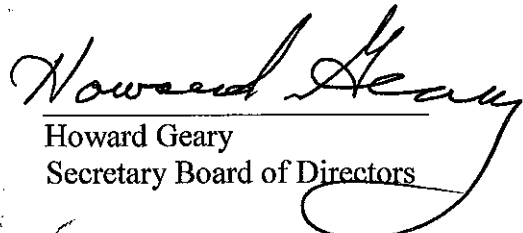
The following Board Members Abstained: Roy Lippman, Barbara Collins and Angel Negrón.

If we did not have insurance by February 2, 2014 we could have had a very serious problem not only with H.P.D. but our Mortgage Company.

Note: On February 5, 2014 the Board will conduct a meeting with Barbara Roach, Vice President of Insurance from Douglas Elliman Property. At this meeting discussion will be conducted regarding future Insurance for the Big Six Towers.



David Becker
Manager Big Six Towers



Howard Geary
Secretary Board of Directors