MONT CENIS APARTMENTS, INC.

54 Morningside Drive New York, NY 10025

HOUSE RULES

Revised and approved: January 24, 2018

Introduction

These House Rules (the "Rules") are established by Mont Cenis Apartments, Inc., as Lessor (the "House"), pursuant to Paragraph 10 of the Proprietary Lease (the "Lease") of each Lessee. The Rules are supplementary and do not in any way supersede any of the provisions to the Lease. Please familiarize yourself with the Lease.

The Rules that follow are meant to assure the success of our cooperative enterprise by preserving our common property and by nurturing a harmonious, tranquil atmosphere. The Rules may be supplemented, amended or repealed at any time by the Board. Lessees covenant with all House Rules and see that they are also faithfully observed by family, guests, employees and subtenants of the Lessee (collectively, the "Residents"). Breach of the House Rules shall be a default under the Proprietary Lease. Therefore, all Residents are urged to keep the Rules at hand for easy reference in the future. Should a Resident have a question on any Rule, the Managing Agent or the Board should be contacted to obtain clarification.

The House Rules are divided into three sections:

- A. TRANSACTIONS AFFECTING APARTMENTS
- B. HEALTH, COMFORT AND SAFETY
- C. RESPONSIBILITY FOR DAMAGE

A. TRANSACTIONS AFFECTING APARTMENTS

1. Sale of Apartments

- a. <u>Notice to House Residents</u>. A Lessee wishing to sell the Lessee's apartment and shares of stock in the Corporation shall post a notice on the bulletin board for a period of not less than one week so that other Lessees can have the opportunity to consider an offer to purchase if they wish to change their location in the House.
- b. <u>Approval of Purchaser is a Condition of Sale</u>. A prospective purchaser of a Lessee's interest must be approved by both an Admissions Committee, as constituted by the Board, and by the Board before a sale may be completed.
- c. Admissions Procedure. A prospective purchaser must submit an admissions package obtainable from the Managing Agent and must pay all related application fees. The applicant must become familiar with the House Rules and bring his/her family to meet with the Admissions Committee, one or more Directors, and the Lessees of the apartments immediately above, below, and adjacent to the one to be sold. After the interview, the Committee and Board will make a decision and communicate it in writing to the Managing Agent and to the Lessee who is selling. The Managing Agent will inform the purchaser's broker. The Committee and Board will return all copies of the applicant's Admissions Package to the Managing Agent or delete any digital versions.

- d. <u>Transfer Fee</u>. A fee of 3% of the gross sales price of the apartment will be charged for the assignment and transfer of a certificate of ownership of shares of Mont Cenis stock. The fee is paid to Mont Cenis by the purchaser, unless the seller and purchaser have agreed otherwise, at the time of transfer of ownership, and is altogether separate from any other government transfer taxes or fees that may be payable. It is not charged where ownership changes by inheritance or by an intra-family transfer without a sale.
- e. <u>Transfer by Gift, Bequest, Court Order, or Inheritance</u>. When shares are transferred by reason of divorce, separation, death, or otherwise, the intended transferee of shares and Proprietary Lease must be approved by both the Admissions Committee and the Board before the transfer can create any right of occupancy. The shares of ownership in the Corporation will be transferred in accord with the terms of the will, transfer or gift; that is, the legatee or donee would be able to sell or transfer her/his interest. However, occupancy pursuant to the lease, as distinct from ownership, is not automatically transferred.
- f. <u>Borrowing by Lessee</u>. Any borrowing by a Lessee that involves or might involve limitations upon the transferability of the Lessee's shares or that might result in a Lessee's inability to fulfill financial obligations to Mont Cenis is forbidden without prior written approval from the Board. Approval will be withheld unless Lessee establishes to the Board's satisfaction that Lessee will be able to discharge all debts without jeopardizing the House's interests. All financial documentation submitted to the Board will be returned to the Managing Agent or, if transmitted in digital form, deleted by Board members upon completion of its review.
- g. <u>Selling Procedure</u>. No group tour, broker's open house, auction sale or private showing of any apartment may be conducted without approval from the Managing Agent. Any Directors and any Lessees have the right to attend any seller's open house. During the time-slot of any open house, the seller's broker must provide full time staff at the front door of the building to both admit and escort visitors out, thus ensuring only legitimate entry and exit from the building.

2. Subletting of Apartments

- a. Procedure. A Lessee may sublet the lessee's apartment for a period not to exceed twelve consecutive months. Subletting must have Board approval and consent via the same Admissions form and approval process as apartment sales and transfers, except that no financial documentation is required from the proposed subtenant, since Lessee remains responsible for all maintenance charges, insurance and other Lease obligations during the sublet period. In exercising its discretion to approve or deny permission to sublet, the Board will consider all circumstances, including the number and length of prior sublets permitted the Lessee, the burden to the building of permitting the sublet, and the expectation that Lessees will maintain their apartments as their primary residence. All sublet applications must include:
 - The amount of proposed rent being charged
 - Sublet application fee as outlined in 2b

- Information from subtenant as outlined in 2c
- A signed statement from the Lessee and subtenant stating that problems within the
 apartment for the duration of the sublease must be dealt with by the Lessee, and
 that the Lessee has informed the subtenant that the Superintendent is not
 responsible for repairs within the apartment (though the Superintendent should be
 informed of emergency situations or if there is a problem with the supply of heat.)
- b. <u>Sublet Fees</u>. For each period of time that a shareholder wishes to sublet his or her apartment, a fee of \$500 shall be imposed, payable at the time of application. If the first application is not approved, there is no additional fee imposed for subsequent applications. In addition, for all approved subleases, the Lessee must pay a monthly sublet fee throughout the duration of the sublease, equal to 20% of the maintenance for the apartment being sublet, in addition to the normal maintenance charges for each month of the sublet.
- c. <u>Information Required of Subtenant</u>. A prospective subtenant must submit the following information in writing to the Board and the Managing Agent: (a) the size and composition of the subletting family or group, (b) reliable means of communication between Board Members and subtenants, (c) a required minimum of 2 letters of reference to indicate they will be satisfactory temporary members of the House, (d) a signed statement that the proposed subtenant has read and agrees to abide by the House Rules, with the following addendum: Though a subtenant may have guests for a few days, the subtenant shall not permit any person not originally listed on the application to reside in the apartment, except with the written approval of the Lessee and with the authorization of the Admissions Committee.
- d. <u>Information Required of the Lessee/subtenant</u>. For all approved sublets, the Lessee must submit a copy of the signed and executed contract to the Board and to the Managing Agent.
- e. <u>Unauthorized Subletting</u>. The Board must record approval of a sublet before a subtenant may commence occupancy. Subletting without approval from the Board constitutes grounds for lease termination. Violations by subtenants of House Rules or provisions in the Proprietary Lease or By-Laws will be subject to the same default provisions and lease termination consequences as provided in the Proprietary Lease. The Board of Directors reserves the power to withdraw a previously granted approval to sublet if it considers doing so to be in the best interests of the House.

3. Guests

- a. Live-in Employees. A Lessee with a live-in employee must inform the Board.
- b. <u>Paying Guests</u>. No Lessee shall accept a paying guest without prior permission of the Board. Lessees wishing to have a paying guest must make a written request to the Board outlining the proposed time of tenure, proposed rent, and including letter of

introduction for the guest and a signed statement from the guest stating that the guest has read the House Rules and agrees to abide by them. The Board reserves the right to request an interview by the Admissions Committee. Agreement from the Board must be obtained before the paying guest commences occupancy. Shareholder are not permitted to have short-term (i.e., under 30 days) paying guests or to use their apartments for short-term rentals or any other transient use, including but not limited to rental through Airbnb, VRBO, and similar services.

c. <u>Non-paying Guests</u>. Non-paying guests may not occupy an apartment for a period of time greater than one month unless at least one adult Lessee or an immediate family member 25 years or older is also in occupancy and the Lessee has informed the Board of the guest's presence.

4. Variation in Apartment Occupancy or Use

Permission to occupy or use an apartment other than as provided under the terms of the Lease must first be obtained from the Board in writing. Using an apartment exclusively for professional offices or other non-residential purposes is forbidden. However, Residents who wish to conduct a business at home while also in residence may be granted approval when such occupancy or use is of a private nature and does not demand frequent entry into the building by non-residents. Board approval must be requested in writing and obtained before such variation in apartment occupancy or use may occur.

5. Late Fees

Late payments of monthly maintenance and other charges are subject to late fees according to the following schedule: payments more than 15 days late will incur a charge of \$25 for the first month, payments more than 1 month and 15 days late will incur a charge of \$50 for the second and subsequent months, and payments more than 6 months late will incur interest of 6% annually (0.5% per month) in addition to late fees. The late fees will accrue each month until the charges are paid. In the event of hardship or other good cause for late payment, the Board may reduce or waive late fees and interest at its discretion.

B. HEALTH, COMFORT, AND SAFETY

1. Apartment Alterations and Additions

a. <u>Procedure</u>. A Lessee, whether already in residence or prospective, must obtain approval before undertaking any alterations or additions to the apartment, by filing an Alteration and/or Decorative Agreement with the Managing Agent, together with paying any fee charged by the Managing Agent.

<u>Work requiring an Alteration Agreement</u>, with evaluation and approval by the Board of Directors includes, but is not limited to: any changes that affect water, gas, plumbing, heating systems, wiring including telephone and/or electric lines; structure, including

windows, external doors, any breaching of the outside wall of the building, demolition or construction of floors or interior walls; terrace structures and/or installations (e.g., planters) and any equipment that may affect the building's operation or appearance.

<u>Work requiring a Decorative Agreement</u>, with evaluation by the building's Managing Agent includes, but is not limited to: painting, wallpapering and similar decorative work; installing carpet or similar floor covering; sanding and staining wood flooring; replacing existing major appliances with new models, and minor electrical or plumbing work.

No work may commence before a Lessee receives approval as set forth below:

- Lessees must contact the Managing Agent to specify the nature and scope of the work planned, and the Managing Agent will forward either a Real Estate Board of New York (REBNY) Alteration or Decorative Agreement.
- As required, Lessee must fill out and return the Agreement with written specifications, architectural plans (if appropriate), engineer reports (if appropriate), and certificates of insurance.
- For Alteration Agreements, the Lessee shall provide a PDF via email or nine hard copies, one for each of the seven Board Members and two for the Managing Agent.
- For Decorative Agreements, the Lessee shall provide one copy although the Managing Agent and Board reserve the right to require nine copies.
- b. <u>Deposit for Renovations</u>. Renovations necessitating an Alteration or Decorative Agreement may require a deposit of up to \$1,500, at the Managing Agent's discretion. Shareholders undertaking medium to large scale renovations must submit this deposit together with all required Certificates of Insurance and documentation before commencing work within their apartment. At the successful completion of the renovation, the deposit shall be returned to the Shareholder. While refundable in full, the Board reserves the right to withhold any portion of a deposit submitted for a renovation. Reasons for the loss of a deposit may include, but are not limited to: damages to the building, its common spaces, property, or to another Shareholder's apartment or property resulting from a renovation; any breaches of obligation; and failure by the Shareholder or their contractor to follow all House Rules, all terms of the Alteration Agreement, and all architectural specifications related to their renovation. Shareholders may lose the entirety of their deposit and be held accountable for all costs for repairs needed as a result of their renovation.
- c. <u>Architectural Oversight and Review</u>. The Board requires Lessees to pay the House's architect or engineer to review a Lessee's plans for renovation. The House architect or engineer may further inspect the progress of a renovation at any given stage. This includes, but is not limited to, inspections of sub-flooring, waterproofing, exposed structural elements, new and/or existing plumbing, risers, walls, radiators, valves, weight supporting beams, etc. Fees related to the review of Alteration Agreements or

- progress inspections by the Cooperative's Architect or any other professionals will be charged back to the Lessee.
- d. <u>Contractors</u>. The Board reserves the right to approve, reject, and interview any prospective contractor for renovations proposed by an individual Shareholder. The Board reserves the right to stop work on any renovation by a contractor for any reason, especially a contractor whose conduct or work may result in damage to the building's common areas, property or to another Shareholder's property or is in violation of the alteration agreement or House Rules. The Board further reserves the right to ban a contractor from the building. In either event, the Board reserves the right to ask the Shareholder to select another contractor to continue and finish the alteration.
- e. <u>Alteration Rules</u>. Alteration Rules include, but are not limited to, the following:
 - No wet over dry. Lessee may not install new kitchens or bathrooms (wet areas) in locations directly above the living areas (dry areas) of Lessees residing below their apartment. A Lessee may, however, subject to board approval, restore a bathroom, half-bathroom or kitchen to its original location when Mt. Cenis was first constructed if it has been removed by a previous Lessee even if the apartment below no longer has its bathroom, half-bathroom or kitchen in that original location.
 - <u>Notification of Electrical and/or Plumbing Repairs</u>. Lessee must notify the Board and/or Managing Agent whenever hiring an electrician or plumber to conduct repairs.
 - <u>Protective Coverings at Plumbing Risers</u>. Protective coverings must be placed around the base of any plumbing riser when conducting work to prevent dust and debris from entering the apartments below or the areas between floor and ceiling.
- f. <u>Decisions and Approval</u>: The Board must be satisfied that alterations will not have unintended consequences for the building or for another apartment and that they meet all building Rules and standards. REBNY Decorative Agreements may be approved by the Managing Agent, after consultation with the Board President or other Board officer. REBNY Alteration Agreements require Board approval.
- g. <u>Liability for damage caused by alterations</u>. Lessees who undertake renovations are liable for any damage that occurs as a result, including damage caused by contractors, workmen, and others employed by them. Specific contractor insurance requirements are outlined in the Alteration and Decorative Agreements and Lessees must ensure that contractors provide the necessary insurance certificates prior to commencing any work. Lessees must also file a required Alteration Agreement deposit, as stipulated by the Agreement, with the Managing Agent before work commences. The Board reserves the right to levy the full amount of the deposit and any additional charges for damages related to a Lessee's renovations.

- h. <u>Bringing/ Removing alterations materials, equipment and debris</u>. Lessees must instruct contractors to bring equipment and supplies through the basement to avoid marking up the floor of the foyer, and arrange with the Superintendent to place pads in the elevator. Lessees are liable for any damage to the elevator's interior and/or to the building's public spaces (corridor walls, moldings, windows, etc.) caused by their contractors. Removal of debris resulting from work in an apartment is the Lessee's responsibility. Contractors must not allow debris to accumulate in the hallways, basement or alleys. Debris removal must be included in all contracts for alteration activities. Contractors must keep the side gate closed unless they station someone at the gate to prevent unauthorized entry. Violators are subject to fines of \$100 per infraction which may be deducted from the Alteration Agreement deposit.
- i. <u>Noise and Disturbance of Construction Work</u>. Major repair, construction work, painting, and so on must be arranged so that it will not begin before 8 a. m. nor continue after 6 p. m. on weekdays. On Saturdays and Sundays, work may not commence before 10 a.m. nor continue after 5 p.m. Every effort must be made to avoid unreasonable disturbance from noise, dirt, and other consequences of such work done within an apartment.
- j. <u>Cost</u>. Any cost incurred by the building as a result of a Lessee's renovations or failure to follow these Rules will be charged back to the Lessee.

2. Apartments and Appurtenances

- a. <u>"As-is" Condition</u>. In general a new Lessee takes possession of an apartment in all respects on an "as is" basis, and must not look to the House to pay the cost of correcting any pre-existing defects.
- b. <u>Good state of repair</u>. All Lessees shall keep their apartments in a good state of preservation, cleanliness, and repair.
- c. <u>Toilet bowls</u>. Toilet bowls and other bathroom facilities in the building shall not be used for any purposes other than those for which they were constructed, nor shall any sweepings, rags, rubbish, or any other article be thrown into the toilet bowls. The cost of damage resulting from any misuse of the toilet bowls or other apparatus shall be paid for by the Lessee in whose apartment it shall have been caused.
- d. <u>Equipment</u>. No ventilator, radiator, dishwasher, or other apparatus shall be installed by the Lessee without prior written approval of the Board as to the type, location and manner of installation of said device. Each Lessee must keep any such device in good appearance and mechanical repair. No Lessee shall permit any device to leak, nor make any noise which disturbs or interferes with the right, comfort or convenience of the Lessee of any other apartment. Waterbeds are prohibited. Washing machines and dryers, and sink garbage disposals are not permitted.
- e. <u>Window-Mounted Air Conditioners</u>. Installations of all window-mounted air conditioners must meet all fire and safety laws. Window-mounted air conditioners must

be installed by or under the supervision of the Superintendent. The Board may require a Lessee to remove or replace an air conditioner deemed unsafe, excessively noisy, rusty, or leaky. The cost of such removal or replacement shall be borne by the Lessee.

f. <u>Windows, French Doors and Balcony Doors</u>. Windows, window frames, and doors to balconies are generally the responsibility of the building. The current standard for large window openings is aluminum clad, double hung windows. The standard for balcony doors is aluminum clad, double swinging French doors. Window frames and balcony doors must be painted black on the outside. The Board reserves the right to change these standards to best preserve the building's masonry and structure and shall revise these House Rules if standards are changed.

The Board reserves the right to decide when replacement or repair of windows or balcony doors is needed, and, if so, how the burden of costs shall be borne. In determining the distribution of costs, the Board shall consider the extent to which the Shareholder's neglect or failure to report may have contributed to the need for repair or replacement or if there are damages to the building's masonry or another Shareholder's apartment. Shareholders should report any problems with windows and balcony doors to the Superintendent and/or Management immediately.

Shareholders who wish to replace windows or balcony doors must submit written notice to the Board and gain Board approval based on the recommendations of the building architect or engineer. If the Shareholder wishes to install a window or balcony door that is more costly than the current standard, the Shareholder is responsible for costs above that of standard replacement.

- g. <u>Front doors</u>. The front doors of apartments are the responsibility of the Lessee. If a front door is replaced, the new door must be fire-resistant, self-closing, and painted in the color approved by the building. Fire laws prohibit the installation of wooden doors.
- h. <u>Cable</u>. Whenever access to cable TV and related services (such as WiFi) is provided to apartments through a building-wide agreement, the House will bill shareholders for such services on a monthly basis. No antennas or satellite dishes are permitted.

3. Managing Agent and Superintendent

The <u>Managing Agent</u> represents the Board of Directors in the day-to-day operations of the House. Inquiries, requests, problems, and/or advice should be communicated to the Agent via telephone or e-mail. If a Lessee has a serious complaint, question, or suggestion that cannot be handled by the Managing Agent, it can be submitted for consideration at the regular monthly meeting of the Board of Directors.

The <u>Superintendent</u> is a resident employee of the House. The Superintendent's duties include cleaning the halls, the stairway, and the other public parts of the House, caring for its grounds, and sidewalks, disposing of its trash, monitoring the boiler, and similar duties. The Superintendent is responsible for the preservation and functioning of the Lessees'

common property, rather than their individual apartments. No Resident may send the Superintendent out of the building on any private business of the Lessee at any time when the Superintendent is on duty. However, outside of normal hours and duties, the Superintendent may agree to conduct minor repairs for Residents, at the expense of Residents, on mutually agreeable terms and in strict accordance with all House Rules. The Board and Managing Agent bear no responsibility for any work privately contracted between a Lessee and the building's Superintendent.

4. Building Access to Apartments

- a. The House and its agents and their authorized workmen shall be permitted to visit, examine, or enter the apartment or any storage space assigned to a Lessee at any reasonable hour of the day upon notice, or at any time and without notice in case of suspected emergency, for the following purposes: extinguishing fires; exterminating vermin, insects or other pests; investigating reported leaks; repairing leaks; maintaining and repairing electrical, gas, water or steam lines; and for ascertaining whether these actions are necessary. Apart from emergency situations, every effort will be made by the Managing Agent to schedule a mutually convenient time for providing such access. Where such access cannot be arranged, the Managing Agent and authorized workmen may enter the apartment pursuant to the Proprietary Lease.
- b. If a Lessee is not a full-time resident, periodic access must be allowed for the Superintendent, together with the Managing Agent or a Director, to inspect for leaks. If Lessees plan to leave their apartments vacant for more than one month, they must inform the Managing Agent.
- c. The Lease requires that Lessees give a duplicate set of keys for every door lock in their apartment to the Managing Agent. Lessees who fail to provide access to their apartments will be held financially responsible for the cost of entry and any resulting damage to the building or to other apartments.
- d. The Managing Agent maintains a Resident Profile for all Residents containing information such as each Resident's business address and phone number, and phone numbers to call in case of an emergency. All Residents must keep an up-to-date Resident profile on file with the Managing Agent.

5. Entry into Building

- a. Residents shall not admit strangers who attempt to enter the front or a side door or gate with them. Residents must insist that strangers use the intercom system to request the Resident they are visiting to allow entry.
- b. If the front or a side door or gate are not locking fully or automatically, the matter must be reported immediately to the Superintendent or, if unavailable, the Managing Agent.
- c. If a key to the downstairs front door or the basement side doors is lost or stolen, the fact must be reported immediately to the Managing Agent or to a Director, so that locks can be changed if this is deemed appropriate.

d. All Residents must ensure proper use of the side entrances. The side gate leading into the courtyard is not to be opened or closed manually, propped open, or left unattended when open at any time. Residents responsible for improper use that results in any damage or mechanical failure will be charged for repairs. Residents who observe the front or a side door or gate open and unattended must close it immediately and report the problem to the Managing Agent or Member of the Board.

6. Use of Public Spaces

- a. No article shall be placed in any public spaces, including, but not limited to, the halls, staircase landings, fire escapes, or basement. Public halls and stairways shall not be obstructed or used for any purpose other than ingress to or egress from the apartments in the building, and fire escapes shall not be obstructed in any way. Children are not permitted on the fire escapes. Items left in the halls may be discarded by the superintendent.
- b. No bicycles, scooters, baby carriages or similar vehicles shall be allowed to stand or be ridden in the public halls, passageways, areas or courts of the building.
- c. No public hall shall be decorated or furnished by any Resident in any manner without the consent of the House and of all of the Lessees to whose apartments such hall serves as a means of ingress and egress.
- d. No smoking or the use of electronic cigarettes is allowed in any of the common areas, outdoor areas and courtyard, elevator and fire escapes or within 20 feet of the building.

7. Roof

Entrance to or use of the roof for any purpose is strictly prohibited unless authorized by the Board or the Managing Agent.

8. Laundry Room

- a. A fixed weekly timeslot is assigned to each apartment for use of the washing machines and dryers in the basement laundry room. The Laundry Chairperson maintains and circulates this schedule. Open timeslots are available on a first-come first-served basis.
- b. Lessees must observe signs posted in the laundry room for proper use of the machines. Leave all machines, dryers and common areas clean after each use. Report any machine or laundry room problems immediately to the Laundry Chairperson, Superintendent or Managing Agent.

9. Garbage Disposal

Residents must dispose of all garbage in the receptacles provided. Recyclable material must be rinsed and placed in the proper containers according to the posted Rules. Compostable material may be placed in the bin according to posted rules. Large items may not be placed in the garbage room, basement corridors or other open areas in the basement without first consulting the Superintendent.

10. Basement Storage Rooms

- a. Each Lessee is allotted one designated space in the basement for storage. Lessees must confine their stored materials within their assigned boundaries. Anything kept in the basement outside an official storage area without the permission of the Board, the Managing Agent or the Superintendent may be discarded at any time.
- b. Fire laws prohibit the storage of combustible materials. Lessees are prohibited from storing combustible chemicals, cleaning agents, paint, paint thinner, lighting fluid, etc. Lessees are responsible for any damage to the building or to another Lessee's property resulting from items improperly stored.

Periodically, the House checks the storage areas and provides an opportunity for disposal of unwanted items. The House is not responsible for articles stored in the basement.

11. Bike Room

Limited bike storage is available in the basement for a fee. There is usually a waiting list.

12. Noise

In addition to the noise restrictions from alterations outlined in Section B(1)(i) on page 7 of these House Rules ("Noise and Disturbance of Construction Work"), radios, TVs, stereo equipment and musical instruments, etc., are to be played very softly if played before 8 a.m. (Saturdays and Sundays 10 a.m.) or after 11 p. m. and at other times are to be kept at a level that will not unreasonably annoy neighbors. Loud parties should be avoided, especially after 11 pm. Residents must keep noise to a reasonable minimum in the building's front entrance, lobby, hallways, interior and side courtyards, and other public spaces.

13. Sound Deadening of Apartment Floors

The floor of each apartment shall be insulated and covered as set forth below:

 <u>Floor covering</u>. At least 80% of all floor areas of each room (with the exception of kitchens, bathrooms, closets and foyers and rooms in first floor apartments) must be covered with area rugs or carpeting or be fitted with sound-deadening material under the wooden floors or both. Lessees wishing to install sound deadening material under wooden floors must submit all appropriate REBNY Alterations Agreements to the

- Managing Agent and receive prior written approval from the Board before proceeding with this option.
- <u>Insulation</u>. Whenever Lessees use rugs or carpeting to comply with the above floor covering requirement, such covering must be laid over at least one layer of carpet padding.

14. Moving

- a. Moves into or out of the building must be scheduled in advance with the Managing Agent for weekdays between the hours of 9 a.m. and 5 p.m. A refundable damage deposit of \$1500 must be provided to the building. Lessees are liable for damage to the elevator's interior, hallways, stairs, side door, or other elements of the building or its fittings as a result of the move.
- b. All furniture and boxes, unless too large for the elevator, must be moved through the basement via the side door. Lessees must instruct movers as to proper use of the gate and side door and must arrange for the door to be attended. Lessees must ask the Superintendent to put pads in the elevator before using it for moving.

15. Window Guards

- a. For the safety and protection of small children, New York City law requires the House to install window guards in any apartment where a child 10 years or under resides, but not on windows with access to the fire escape. Residents with children ten years of age or under must notify the Managing Agent about the installation of window guards. Residents may request window guards even if no children live in the apartment. The cost of installing window guards will be added to the Resident's maintenance bill.
- b. Each year the Managing Agent will distribute a form concerning the window guard law. It must be completed and returned to the Managing Agent. The House is relieved of its obligation if (a) a Lessee fails to respond to inquiry whether an under-age child resides in the apartment, or (b) responds no under-age child resides in the apartment, or (c) fails to report that a child of that age group has newly become a Resident.

16. General Health and Comfort Provisions

- a. City ordinances forbid the shaking of mops or throwing anything out the window.
- b. Rugs and bedding must not be hung out of windows.
- c. Window boxes, flower pots or similar items must not be placed on windowsills, unless securely fastened. The Board reserves the right to ask a Lessee to remove any such item.
- d. Mail-box locks and keys are the Lessee's responsibility. The House does not replace lost or broken keys.

- e. Pets: Dogs, cats, caged birds and fish are permitted in Lessees' apartments. Dogs in any public area must be on a leash of no more than 6 feet in length and may be required to wear muzzles.
- f. No pigeons or other birds or animals shall be fed from the windowsills, terraces, balconies, or in the yards, court spaces or other public portions of the building or sidewalks or streets adjacent to the building.

C. RESPONSIBILITY FOR DAMAGE

1. Responsibility of Lessees

- a. The Lessee shall keep the interior of the apartment in good repair as is set forth in the Lease. Unless the Proprietary Lease specifically lists equipment or repairs as the responsibility of the House, they will expressly be the responsibility of the Lessee.
- b. Each Lessee shall be responsible at the Lessee's sole cost and expense for repairs or maintenance necessitated by Lessee's or other occupant's negligence and misuse, such as an overflowing wash basin or by rainwater entering through an open window or by falling objects or by any other careless act or omission.

2. Responsibility of the House

- a. The House is responsible for the upkeep of the building as set forth in the Lease.

 Unless the Proprietary Lease specifically lists equipment or repairs as the responsibility of the House, they will expressly be the responsibility of the Lessee.
- b. The House is not responsible for the cost of repairs or maintenance necessitated by Lessee's or other occupants' negligence or misuse. The House is not required to repair or replace equipment, fixtures, furniture, furnishings or decorations installed by the Lessee or any of his predecessors nor shall the House be obligated to repaint or replace wallpaper or other apartment decorations.

3. Procedure for Reporting Problems

- a. Each Lessee has a primary responsibility to report immediately any observable problem, such as plumbing leaks, roof leaks or other faults, that Lessee finds in their apartment or in the building's common spaces. Remedial steps must be taken to mitigate the extent of damage as soon as possible. Lessees who fail to report a problem within their apartments in a timely manner may be found financially responsible for repairs. The procedure for reporting problems is as follows:
- b. Lessees must contact the building's Managing Agent and Superintendent to report leaks and/or any problems with radiators, pipes, plumbing, electrical, gas, steam and/or water lines,

etc. Lessees must follow-up any telephone communications with a written e-mail or note to the Managing Agent and to one or more members of the Board.

c. Lessees must report any irregularities, safety hazards, or needed repairs in the building's common areas or fire escapes to the Superintendent or Managing Agent. These include, but are not limited to, problems with pigeon netting, leaks, and equipment failures.

4. Escape of Water or Steam from Interior Plumbing

When a water or steam leak is visible within an apartment, the Lessee has primary responsibility to quickly report the need of repairs to the Managing Agent and Superintendent. The House and its designated agents shall have the right to enter the apartment to effect necessary repairs. The House will ordinarily bear the full cost of effecting repairs to those items for which the House is responsible as set forth in the Proprietary Lease. Lessee will be responsible for the full cost to repair those items for which Lessee is responsible as set forth in the Proprietary Lease. If the Lessee's inattentiveness or negligence in reporting has been a contributing factor, the Board may apportion the House's cost accordingly to Lessee. If the leak is related to apartment plumbing alterations made by the Lessee or a previous Lessee, the Board may apportion the House's cost accordingly to Lessee.

5. Seepage of Water Through the Exterior of the Building

The House will accept financial responsibility, voluntarily, when undetected defects in the exterior of the building have made possible the seepage of water into an apartment. The House will not, however, be responsible in any degree for seepage that has been facilitated by a Lessee's carelessness, or by installation of special window frames, use of air conditioning equipment, or structural alterations. The House will be responsible for damage caused by leaks from the Roof.

6. Standard Extermination Services

The House will at its own expense provide periodic inspection and extermination to prevent and treat rodent and roach infestation. Lessees must report any sign of rodents to the Managing Agent and/or Superintendent immediately. Lessees must pay for the extermination of other pests (bedbug remediation is addressed in section 7).

7. Bedbug Remediation

- a. <u>Prevention</u>. Lessees must maintain their apartments in good condition, eliminate clutter in their apartments and storage areas, and take all reasonable precautions to avoid introducing bedbugs. Lessees may not bring "found objects" from the street into the building and must use all reasonable precautions when purchasing used items.
- b. <u>Routine Inspections</u>. The House may, at its own expense, conduct routine inspections for bedbugs in the building and apartments, on a schedule determined by the Board.

Lessees must cooperate with all inspections, providing access to their apartments upon 24-hour notice from the Board or Managing Agent.

- c. <u>Reporting</u>. Lessees must report any suspicion of bedbugs in apartments, common spaces, or storage areas to the Managing Agent and Superintendent immediately.
- d. Extermination. If bedbugs are found during a scheduled inspection or following a report by a Lessee, the Lessee/s of the affected apartments/s shall allow the Board and Managing Agent to make all treatment decisions in consultation with the House's Managing Agent and exterminator. Lessees may not hire their own exterminator except with written permission of the Board. Lessees are required to follow all exterminator protocols, as well as all post-extermination recommendations. The House will require inspection and any necessary treatment of all apartments that adjoin the affected unit (above, below, and adjacent) and all relevant common areas, storage areas, and the superintendent's apartment and treatment. All Shareholders/Lessees must provide access to their apartments upon 24-hour notice from the Board or Managing Agent.

Follow-up: After a bedbug infestation has been treated, the exterminator will conduct follow-up inspections to determine whether affected and potentially affected apartments are clear of bedbugs. All Lessees must provide access to their apartments upon 24-hour notice from the Board or Managing Agent.

e. <u>Costs of extermination</u>. The costs of extermination within the apartments where bedbugs are found will generally be split evenly between the Lessees and the House. The costs of prevention in adjoining apartments and common spaces will be the responsibility of the House. Costs for prepping and cleaning (including labor costs), temporary housing, or new items acquired because of the infestation such as furniture and mattress covers are the responsibility of the Lessee. If any Lessees do not cooperate with the bedbug prevention and remediation procedures, the Board may, at its discretion, charge back a greater portion of the costs to those Lessees.

8. Procedure in Relation to Complaints

Complaints are subject to the following procedural regulations:

- a. <u>Notice</u>. If a claim is made against the House, written notice must be given as soon as possible to the Managing Agent. The House will not accept financial obligations where a Lessee's failure to provide timely notice has lessened the House's opportunity to investigate, take appropriate remedial measures, seek reimbursement, or make claims against insurance companies.
- b. <u>Arrangements for Repair</u>. Before the House accepts responsibility for the cost of repairing damage to an apartment, the damage must be seen by the Managing Agent (and, where the insurance company desires, by an insurance investigator) before repairs are made. Should a contractor be needed, one shall be chosen by the Managing Agent when the House is liable for repairs.

c. <u>Decisions and Appeals</u>. The Managing Agent or its designated representatives will investigate and determine causes of problems and appropriate courses of action, including responsibilities for repairs and allocation of costs. The Lessee will be notified of the determination. A Lessee who is dissatisfied with any aspect of the initial determination may request review by the Board at the next board meeting. The request must be made in writing, and the Lessee may appear before the Board, which will then make a decision to approve, reject or modify the decision of the Managing Agent.

9. Lessee's Insurance

Lessees must maintain at least \$500,000 in liability insurance. Lessees must provide proof of coverage to the building's Managing Agent if requested. Beyond the required minimum, the Board strongly recommends that Lessees carry additional homeowner's insurance, particularly for personal liability, dwelling and contents coverage, among others.

10. Mediation

The procedure for resolving disputes arising between Lessees or between Lessees and the House shall be as follows:

<u>Disputes between Lessees</u>. Should neighboring Lessees disagree on an issue explicitly covered by these House Rules, the process shall be as follows. As a first step, neighbors should discuss the issue and possible solutions between themselves. If this fails, Lessees may request assistance from the Board to mediate the dispute and reach a solution.

<u>Disputes between Lessees and the House</u>, In disputes between a Lessee and the House over an issue explicitly covered by these House Rules, the parties should attempt mediation to reach a solution.

When the House is required to seek legal counsel because of a dispute between the House and a Shareholder, or between Shareholders, concerning obligations under the Proprietary Lease or house Rules, the reasonable cost of attorney fees incurred by the House may be charged to the Shareholder(s) involved in the dispute.

11. Default

Violation of these House Rules can lead to termination of the Lessee's Proprietary Lease.

* * *