

THURMAN VERONA APARTMENTS CORPORATION

HOUSE RULES & POLICIES

INTRODUCTION

Thurman Verona Apartments Corporation has revised it's House Rules set forth hereinafter for the safety, care, cleanliness and appearance of the property and for the common good of all residents.

(a) The Board of Directors may, from time to time, at it's discretion alter, amend or repeal any of these House Rules. Any such change shall take effect upon giving written notice of the same. The Board of Directors also reserves the right to make new policies and House Rules to carry out corporate purposes, and after adoption by the Board and notice to the shareholders and residents, such additional policies and House Rules shall become part of these House Rules.

(b) The Board of Directors may set such fees as it deems reasonable and proper, and such fines as it deems reasonable and proper, to further the observance of the House Rules. Such fees and fines shall be collectible hereunder as an addition to maintenance.

(c) The shareholder has covenanted by the Proprietary Lease to comply with the House Rules of the Corporation and to see that they are faithfully observed by the shareholder's invitees, licensees, employees, agents, contractors and subtenants and others as are permitted to co-reside in the Apartment with the Lessee hereunder. Breach of a House Rule by any of these parties shall be a default under the Proprietary Lease.

Thank you,

The Board of Directors
Thurman Verona Apartments Corp.

Revised: September 2010

TABLE OF CONTENTS

1. Use of Premises
 2. Public Areas
 3. Building Appearance, including Air Conditioners
 4. Quiet Enjoyment
 5. Delivery or Disposal of Furniture, Major Household Appliances and Other Heavy Objects
 6. Moving In and Out of the Building
 7. Disposal of Refuse
 8. Extermination
 9. Pets
 10. Emergency Access to Apartments (keys)
 11. Insurance
 12. Employees of the Corporation
 13. Repairs
 14. Alteration of Apartments
 15. Sale or Transfer of Shares and Proprietary Lease
 16. Subleasing
 17. Window Guards
 18. Carbon Monoxide Detectors and Smoke Alarms
 19. Fire Safety Notices
 20. Lead Paint
 21. Building Violations
 22. Violation of the House Rules
 23. Miscellaneous
- Attachments: Appendices A-E

1. USE OF PREMISES

- a) Apartments may not be used for any purpose other than as a private residential dwelling for the Lessee and his or her immediate family (spouse, domestic partner, parents, siblings or children). **The number of people living in any apartment may not exceed the N.Y. City housing guidelines** (see Housing Maintenance Code (Administrative Code of the City of New York) §27-2075 & Multiple Dwelling Law §31).
- b) No residents or employees may permit the entry of anyone into the building without first properly identifying the individual through the security intercom or in person at any entrance to the building. For the safety of all residents, do not open the door to anyone you do not recognize.
- c) No group tour, open house, yard sale, or exhibition of any apartment or its contents shall be conducted, nor shall any auction sale be held in any apartment without the prior written consent of the Board of Directors or Managing Agent.
- d) The right of Lessee to have guests in the Apartment as set forth in the Proprietary lease shall not include paying guests and shall not entitle Lessee to operate a boarding house, rooming house or bed-and-breakfast or any similar enterprise in the apartment.

2. PUBLIC AREAS

Loitering: No resident shall themselves, or allow their guests to, loiter in any of the common areas of the development, particularly at the stoops or any entrance(s) to the building(s).

Hallways, Stairwells, and Lobby Areas: The public halls, stairwells, and entrances of the building shall not be obstructed or used for any purpose other than entrance to and exit from the apartments in the building. No bicycles, scooters, strollers, baby carriages or other wheeled items or personal effects such as shoes or umbrellas shall be allowed to stand in vestibules and public areas of the buildings.

- a) The Corporation, at the Lessee's risk and expense, shall have the right to remove any such obstruction left in hallways, stairwells, and lobby areas.
- b) No public hall shall be decorated in any fashion by any Lessee in any manner without the prior written consent of the Board of Directors.
- c) Any damage to or defacement of common areas, including corridors, doors, or elevators, by a Lessee, family member, guest or employee of a Lessee will be repaired by the Corporation at the Lessee's expense. Any violation may make reasonable cause for eviction in accordance with the Proprietary Lease.
- d) Under no circumstances may the building's entrance doors be propped open and left unattended.
- e) Residents shall not permit any unreasonable cooking or other odors, such as the odor of cigarettes, cigars, or other tobacco products, perfumes, room fresheners, burning incense, etc., to escape into the common areas of the building.

- f) No radio playing, dog walking, loud voices or music, ball playing, roller skating, etc. shall be permitted in the hallways, elevators, lobby, basement, courtyard, or other public areas.
- g) Residents shall not permit any dirt or other substance to be swept, spilled, or thrown into any of the corridors or halls, elevators or any other public spaces in the buildings or anywhere on the property.
- h) No one may smoke in the public halls, stairways, elevators, laundry rooms or other public areas of the building. City ordinances prohibit smoking in the lobby, halls, stairwells, elevators, laundry room, and other public areas. Smoking is permitted outside of the buildings, but not within fifteen (15) feet of any entrance way or window. All cigarette butts must be properly disposed. Any resident caught improperly disposing of or littering cigarette butts will be fined and subject to legal action.
- i) Children shall not be permitted to play in the building's public areas such as, but not limited to, hallways, stairways, elevators, basement, laundry room, on building or garage roofs, or on any grassy areas within the courtyard or around the buildings that are separated from normally accessible areas by fencing.

Laundry Rooms: Residents may use the available laundry facilities only on such days and such hours as may be designated by the Board of Directors. Presently, the laundry area may be used any day between the hours of 7:00am and 10:00pm. The last wash should begin no later than 8:45pm.

- a) Residents and/or their employees using the laundry facilities of the building shall keep the facilities neat and clean. Laundry should be removed promptly when the machine has stopped.
- b) Any lint or other residue left in the washer or dryer should be wiped clean or removed. Any spills on the machines or floor should be wiped clean.

Roof: The building and garage roof areas are strictly off-limits to all tenants and their guests except, of course, in the case of fire or other emergency. Unauthorized access to the building roof will trigger a fire alarm. Offenders can be subject to fine and/or prosecution.

Courtyards: The courtyard and benched areas are for the quiet enjoyment of residents and their guests. Ball playing at any time is prohibited. Music or radio playing at any time is prohibited. Social gatherings in the courtyard after 10:00pm is also prohibited.

Garages: Parking spaces in the garages are only for the use of residents of Thurman Verona Apts. Corp. who rent such spaces which are rented to residents on a separate contract at a monthly rate approved by the Board of Directors. Any person wishing to rent a space should place a request in writing to the Managing Agent.

- a) No personal articles may be stored in the garage.
- b) Residents may not sublet parking spaces.
- c) If a resident wishes to park a vehicle, other than his/her registered vehicle, in the rented garage space, written permission must be obtained in advance from the Managing Agent (not the Superintendent). Failure to do so can result in the vehicle being towed at the vehicle owner's expense.
- d) Residents wishing to change parking spaces must submit their written requests with the Managing Agent. The management office keeps a waiting list of requests for parking spaces or moves.

- e) Parking is only permitted in designated parking places. All other areas of the garage are off limits for parking.
- f) The front and back doors to the garage must be closed upon exiting.
- g) An automatic door opener is available and requires a deposit.
- h) Transfers: When a shareholder sells his/her apartment, the parking space may be transferred only with prior written consent of the Board of Directors or Managing Agent, and payment of a \$1000 transfer fee. Standard monthly charges still apply.

Elevators: There shall be no interference in the operation of the elevators by the resident or the resident's invitees, licensees, employees, contractors, or co-residents. Use of the elevators in connection with construction or other work done by or for the resident in the apartment, or moves in or out, or large deliveries to or removals from the apartment, shall be subject to such rules and regulations as the Board of Directors have established. (See section 6)

Storage Lockers: Anyone wishing to rent a basement storage locker should place a request in writing to the Managing Agent. Lockers are available on a first come, first serve basis. Storage lockers are rented to residents on a separate contract at a monthly rate approved by the Board of Directors.

- a) No dangerous or flammable materials are to be kept in the storage room, including, but not limited to: paint, paint thinner, lacquer, turpentine, varnish, polyurethane, motor oil, oil based products, shellac, alcohol, paint stripper, insecticides, chemicals, used rags, etc.
- b) The Corporation is not responsible for any loss or damage to items stored in any individual locker or the storage room.
- c) Storage of items is permitted within the storage lockers ONLY. No item shall be left anywhere outside the individual locker in the storage room.
- d) Any item that is not inside a locker will be removed and disposed of by our staff at the expense of the resident.
- e) With one day prior notice, storage areas are subject to inspection by the Corporation.

3. BUILDING APPEARANCE

- a) No window air-conditioning units, ventilators, or similar devices shall be used in or about the building or project out of any window of the building unless properly installed and secured. No air-conditioning unit shall be installed in a window that exits onto a fire escape.

In order to comply with NYC Local Law 11 of 1998, a sturdy bracket directly connected to the exterior wall must support all window air conditioners. No wooden blocks or bricks, etc., are never permitted to be used, even as ancillary support with an appropriate bracket. Failure to comply with this law may prompt a building violation.

Any offending resident will be responsible for payment of the fine and any subsequent fees incurred to obtain removal of the violation.

If any air conditioner is installed without an appropriate bracket, after due warning, monthly recurring fines will be issued until the violation is remedied. The Corporation reserves the right to have the building's staff, at the resident's risk and expense, remove the air conditioner if the resident continues to fail to comply with the Local Law 11 requirements.

Anyone needing assistance with the installation of brackets should contact the Managing Agent or the Superintendent. A fee will be charged to cover the cost of the bracket and installation.

Any air conditioner or similar device that leaks or makes unusual noises which disturb other residents must be repaired or replaced. If any such device becomes rusty or discolored, the owner shall have it painted beige or similar neutral color. No towels or other articles are permitted to be placed on top air conditioners.

- b) No sign, notice, advertisement, or illumination shall be inscribed or placed in any window or other part of the building, except if approved in writing, by the Board of Directors. This approval must be granted prior to placing any such sign.
- c) No articles shall be hung outside or shaken from the windows, regardless of the location of the apartment.
- d) No radio or television aerial or satellite dish shall be attached to or hung from the exterior of the building, or secured to any part of the building's parapet or roof area.
- e) All windows must be equipped with shades, drapes, blinds, or other appropriate window treatment befitting a residential building. No clothes, sheets, blankets, laundry, or other articles shall be hung on or out of a unit window.
- f) It is the obligation of all residents to keep clean, inside and out, all windows of their apartment.
- g) **Under no circumstance shall any article be left on the buildings exterior fire escapes.** Failure to comply with this law may result in a building violation. Any offending resident will be responsible for payment of the fine and any subsequent fees incurred to obtain removal of the violation. The Board of Directors or Managing Agent may also levy additional fines.

4. QUIET ENJOYMENT

- a) No resident or guest shall make or permit any disturbing noises to emanate from their apartment or in any public area that will interfere with the rights, comfort, convenience, or quiet enjoyment of other residents. No resident shall play a radio, television, musical instrument or other device between the hours of 10:00pm and 8:00am at a volume that will disturb other residents in the building. Residents practicing or playing musical instruments that can be heard by other residents can only do so for two consecutive hours and must then take a break of at least two consecutive hours before recommencing such practice. No resident shall install or play a piano or drum kit without prior written consent of the Managing Agent or Board of Directors. Instruments are not to be connected to amplification equipment at anytime.
- b) Exercise machines are not permitted in any apartment without prior written consent of the Managing Agent or Board of Directors

- c) No construction or repair work or other activity involving noise shall be conducted in any apartment except on weekdays (not including legal holidays) between the hours of 8:30am and 5:00pm. See section 14 and Appendix D.
- d) All apartments must have floor coverings, rugs, or carpeting (with adequately thick padding/underlay) or equally effective noise reducing material, to the extent that neighbors are not disturbed. At least 80% of the walking area of all rooms, with the exception of the kitchen, bathroom and closets, must be carpeted. Any noise complaints received from residents due to non-compliance of this provision will prompt a carpet inspection by the Superintendent or Managing Agent; failure to comply will result in a fine of \$250 per month and all legal fees. See Carpet Verification Form attached hereto as Appendix A.

Installation of a new floating floor, or similar, on top of the existing hardwood floors may be deemed as acceptable floor coverings, providing that adequate noise-reducing underlay, such as ¼" cork, is used.

5. DELIVERY OR DISPOSAL OF FURNITURE, MAJOR HOUSEHOLD APPLIANCES AND OTHER HEAVY OBJECTS

See Furniture/Appliances Delivery/Disposal Policy and Procedures attached hereto as Appendix B. All residents, including rental or sublet apartments are required to comply with this policy.

6. MOVING IN AND OUT OF THE BUILDING

See Move In/Move Out Policy and Procedures attached hereto as Appendix C. All residents, including rental or sublet apartments are required to comply with this policy. Note: a refundable deposit in the amount of \$250 is required for all move ins/outs and must be left with the Superintendent in advance.

7. DISPOSAL OF REFUSE

- a) The building is subject to local laws and regulations regarding recycling of trash. In accordance with those laws, trash must be separated into "recyclable" (e.g., bottles, cans, plastic materials, and paper) and "non-recyclable" materials. Those items which are either "recyclable", or for other reasons must not be thrown down the compactor chute, are clearly listed in the handout attached. Residents must comply with those instructions. (see Rules of the City of New York, Title 16 Dept. of Sanitation)

In the event the building is fined or other costs are incurred because a resident fails to abide by those instructions, such costs will be charged back to the resident.

- b) The following items must not be thrown down the compactor chute. They should be placed in the recycling receptacles provided in either the compactor chute room on each floor or those located in the basement.
 - i) Papers, cardboard boxes, newspapers, magazines, catalogs and other periodicals shall be neatly stacked or placed in the appropriately marked container.

- ii) Other recyclable items such as metal cans, aerosols, glass jars, plastic or glass bottles, or beverage cartons shall be placed in the appropriately marked containers in the recycling areas. Note, in particular that the only plastics accepted for recycling in New York City are bottles and jugs (with necks smaller than their bodies) that are stamped on the bottom with the number 1 or 2 inside the recycling symbol. All other plastic containers and all other plastic items shall be placed in the regular trash – even if they are labeled PETE or HDPE. **Remember: all recyclable containers must be rinsed clean.** To avoid injury to building employees, broken glass must be bagged and clearly labeled as such.
- iii) Carpet sweepings, contents of vacuum cleaner bags, camphor balls or flakes, floor scraping, plastic wrappings or covers, oil soaked rags, paint or aerosol cans, dust or dirt, or any flammable, explosive, or high combustible substance, wire hangers, boxes, crates, wood or other soil matter shall be appropriately wrapped or bagged and/or labeled and left in the recycling area.
- c) Debris and garbage that can be handled by the compactor must be securely wrapped or bagged in small packages that fit easily into the compactor chute. Debris must be completely drip-free or placed in a drip-proof container before it leaves the apartment and dropped down the chute.
- d) Bulk items: Bulk items such as mattresses, appliances, rugs, construction material, etc. must be disposed of only during normal staff working hours and after arrangements are made for their disposal with the Superintendent. Since the building is not responsible for their removal, residents may be charged for any removal services which may be incurred. It is recommended that when a new bulk item is delivered, the old one be removed by the person/company delivering the new one. *Also see Section 5 and Appendix B.*
- e) Toilets/Sinks: Toilets, sinks and other water apparatus in the building shall not be used for any purpose other than those for which they were intended, nor shall any sweepings, rubbish, rags, paper towels or any other article be thrown down them. The shareholder/resident causing any damage as a result of misuse of any toilet or sink or other similar apparatus shall pay for the cost of repairing such damage.
- f) No item is to be left on the floor of the compactor chute rooms or in the stairwells. Improper disposal of trash leads to infestation of rodents, insects and other pests.
- g) Under no circumstance should any refuse be placed directly on the curbside for pick up. The city enforces strict guidelines and times for when specific items can be placed for collection. Violation of these guidelines results in fines to the Corporation. Any offending resident will be responsible for payment of the fine and any subsequent fees incurred to obtain removal of the violation.

Additional information can be obtained from the Managing Agent or by the Department of Sanitation.

8. EXTERMINATION

All residents are expected to maintain a reasonably clean apartment in a condition that would minimize the infestation of insects or vermin. Extermination service is routinely provided to all tenants, upon request, to control insects or other pests. A sign-up sheet to request the services of the exterminator can be found in the Superintendent's office. The Corporation reserves the right to order the inspection of any apartment for the presence of insects and vermin and, if necessary, may order extermination services for that apartment.

9. PETS

- a) No animals larger than 40 pounds shall be kept or harbored in the building without the prior written consent of the Board of Directors. The Board of Directors may revoke such consent at any time. The only exception to this rule is service animals, such as Seeing Eye dogs.
- b) If approval is granted, it is the responsibility of the owner to ensure that his or her pet does not interfere with the quiet enjoyment of other residents, such as by barking or being a nuisance.
- c) In no event shall dogs be permitted in elevators or in any of the public areas of the building unless carried or on a leash.
- d) No birds or animals shall be fed from the windowsill or in the back garden, or other public areas of the building, or on the sidewalk or street adjacent to the building.
- e) Owners are responsible for cleaning up after their pets in the elevators, hallways, sidewalks outside the building, or other public areas.
- f) No pets are ever permitted on any of the grass areas in the courtyard or surrounding the building. Pet owners should especially note that these areas are regularly treated with commercial insecticides and pesticides.
- g) Any cost incurred due to damage anywhere in the development caused by pets will be paid by the offending resident.

10. EMERGENCY ACCESS TO APARTMENTS (KEYS)

As stated in the Proprietary Lease and in the Multiple Dwelling Law, residents must leave a set of keys to their apartment with the Superintendent OR with another resident whose name is registered with the Superintendent for the purpose of emergency access. Failure to do so may result in forced entry into the apartment at the resident's expense, as permitted under the Proprietary Lease. The keys will be kept in a lock box. (*see: Section 13 of Proprietary Lease, and Housing Maintenance Code (Administrative Code of the City of New York) §27-2043 & Multiple Dwelling Law §51c*)

All residents are requested to provide to the Managing Agent contact information of a close relative or friend who can be contacted on your behalf in the event of an emergency. It is advisable that residents also leave this information with a neighbor.

Building staff shall be granted access to each apartment, with one day prior notice, for the purpose of inspecting for a) proper floor coverings, b) the presence of insects, vermin or other pests, or c) to identify any condition which may be deemed unsafe or a violation of health department rules.

11. INSURANCE

The Corporation carries property insurance, which insures the structure and all public areas, and liability insurance which protects it against claims resulting from negligence for which the Corporation might be liable. The Corporation's insurance does not cover the personal effects or liability of the individual residents.

All residents must secure their own fire and personal liability insurance to protect themselves and their personal property, and provide a copy of such insurance to the Managing Agent. The policy should list both The Argo Corporation (Managing Agent) and Thurman Verona Apts. Corp (The Corporation) as “additionally insured”.

Homeowners insurance particularly tailored to cooperatives is available from several carriers. Your homeowners insurance should reflect appropriate coverage in the event of damage or fire, especially if major renovations or improvements have been done to the apartment.

It is recommended that a “replacement value” endorsement be included in the policy.

12. EMPLOYEES OF THE CORPORATION

- a) No resident shall send any employee of the Corporation out of the building on any private business of the resident nor shall any resident employ an employee for any private business during such employee’s normal working hours.
- b) Complaints about the service of the building staff should be made in writing to the Managing Agent.
- c) If a resident believes that the Managing Agent is not properly addressing his or her complaint, he or she should address such complaint in writing to the Board of Directors.
- d) All communications to the Managing Agent or the Board of Directors must provide the name and contact information of the complainant. No action will be taken without this information.

13. REPAIRS

The Cooperative is responsible for keeping all of the common parts of the building, including all equipment, apparatus, lighting, sidewalks and grounds, in good repair. The Cooperative is also responsible for maintaining and repairing all gas, electric, steam and water or other pipes or conduits within the walls, ceilings, floors or heating equipment which is part of the standard building equipment.

The shareholder/tenant is responsible for keeping the interior of his/her apartment (including interior walls, floors and ceilings, window frames, sills, and entrance door) in good repair. The shareholder is also responsible for the maintenance, repair and replacement of exposed plumbing and exposed gas fixtures and equipment, as well as all appliances in the apartment. The shareholder/tenant is responsible for the maintenance and repair of all lighting and electrical fixtures and equipment in the apartment, including all wiring coming from the circuit breaker box.

Shareholders/tenants are fully responsible for damage to other apartments caused by fire and water leaks emanating from their apartment. See also Section 11 above, Insurance.

14. ALTERATION OF APARTMENTS

Shareholders are specifically cautioned that their right to make any addition, change, or alteration to the interior of any portion of their apartment requires the prior written consent of the Board of Directors by way of an Alteration Agreement.

- a) The performance of any work in the apartment shall be in accordance with any applicable rules and regulations of the Corporation and governmental agencies having jurisdiction thereof.
- b) If a Lessee wishes to make alterations, he/she must contact the Managing Agent. All alterations that include ANY structural, plumbing or electrical work must be done by licensed contractors who must carry insurance indemnifying themselves, the shareholder, the Corporation, and the Managing Agent. The Lessee is required to complete, submit, and comply with an approved Alteration Agreement. See Appendix D
- c) The Lessee will be held fully liable and responsible to pay for the repair or replacement of any damage done during the course of any alterations to the public areas of the building including, but not limited to, hallways, passageways, elevators, doors, carpets and walls, as well as any neighboring apartment(s).
- d) The installation of any washing machine and/or dryer or garbage disposal unit in any apartment is strictly prohibited. A monthly fine will be charged if a washing machine, dryer, or garbage disposal unit is found. Fines will continue until the machinery is disconnected and removed from the apartment, and the apartment inspected by the Superintendent or the Managing Agent.
- e) Lessees shall not, in any case, install any appliance that will overload or unduly stress existing electrical wiring, plumbing or other equipment in the building.
- f) No construction or repair work or other activity involving noise shall be conducted in any apartment except on weekdays (not including legal holidays) between the hours of 8:30am and 5:00pm.

15. SALE OR TRANSFER OF SHARES AND PROPRIETARY LEASE

- a) The Board of Directors must approve the sale or transfer of all Shares of the Corporation and the accompanying Proprietary Lease, except as provided for in the Cooperative Offering Plan to the holder of Unsold Shares.
- b) Upon request, the Managing Agent will furnish an Admissions Application Package, to be completed by the seller and prospective buyer. The Admissions Package must be submitted in full, and the seller must be a shareholder "in good standing" before the Board of Directors will consider any application.
- c) All required fees and any outstanding fines, surcharges, maintenance charges, or any other monies owed to the cooperative must be paid in full prior to closing.
- d) Subsequent to the acceptance of a completed application, a personal interview of the prospective buyer(s) will be arranged at a time and place convenient to all parties concerned. Approval or denial of an application rests with the Board of Directors/Admissions Committee.

16. SUBLEASING

Anyone residing in an apartment when the Lessee is not in residence, other than immediate family (spouse, domestic partner, parents, siblings or children), is considered a potential sub-tenant.

Anyone who wishes to sublet his/her apartment must contact the Managing Agent to request a sublet package.

Sublets are only permitted if the shareholder has been in residence for at least one year.

All sublets are limited to one (1) year, with the possibility of one-year subsequent renewal(s) subject to Board approval. A monthly sublet fee, in addition to the regular monthly maintenance fee and any current surcharges and/or assessment(s), will be charged for the duration of the sublet. See Sublet Policy attached hereto as Appendix E.

17. WINDOW GUARDS

Pursuant to the New York City Administrative Code, Department of Health, Division of Fall Prevention, window guards must be installed by the cooperative in all apartments where children under the age of eleven (11) reside. Exemptions are noted within the Administrative Code. Annual Notices are sent which must be completed and returned to the Managing Agent by the residents.

18. CARBON MONOXIDE DETECTORS AND SMOKE ALARMS

Pursuant to Local Law 7 of 2004 of New York City, all apartments must have a carbon monoxide detector installed within 15' (fifteen feet) of a room lawfully used for sleeping purposes. These detectors have been installed in each apartment. Similarly, smoke detectors have also been installed. It is the responsibility of all residents to ensure all detectors are suitably maintained and in working order.

It is solely the responsibility of each resident to be sure that each detector's batteries are changed once a year.

19. FIRE SAFETY NOTICES

All residential buildings are required to have a Fire Safety Plan and Fire Safety Notice attached to the inside entrance door of each apartment. The shareholder/resident should contact the Managing Agent if he/she does not have one.

20. LEAD PAINT

NYC Local Law 1 of 2004 and Housing Preservation and Development regulations require owners to provide lead paint notices to all new and current occupants.

An annual inspection for lead paint hazards will be made upon request by the resident in all apartments where children under the ages of six (6) years live. Annual lead paint notices are sent to all residents which must be completed and returned by February 15th of each year to the company collecting the information on behalf of the Managing Agent.

21. BUILDING VIOLATIONS

In the event the building receives a violation or fine as a result of the action or inaction of a resident, or the failure of a resident to comply with the local, state or federal rules, regulations or laws, the cost of such fines or removing

such violations shall be borne by the resident. Any shareholder who fails to remedy violations in a timely manner may be subject to additional fines by the Corporation and also may be placing their Proprietary Lease in jeopardy.

22. VIOLATION OF THE HOUSE RULES

Complaints regarding violations of the House Rules should be made in writing to the Managing Agent.

Shareholders/residents who violate any one of the House Rules shall receive a notice of such violation. Repeat violations of these House Rules show disregard for other residents, cause the Corporation unnecessary expense, and impede management of the building by unnecessarily consuming Management's time and effort.

Repeat violations will result in enforcement action, which may include termination of the applicable Proprietary Lease and Shares in the Corporation. Please be reminded that you may be liable for all costs, including legal fees, incurred.

Ignorance of the House Rules, or failure to have read these rules, is not a legitimate or acceptable excuse.

These House Rules are not intended to conflict with the terms and provisions of the Certificate of Incorporation, the By-Laws or the Proprietary Lease. To the extent these House Rules address any of the subject matter already covered by the Certificate of Incorporation, the By-laws or the Proprietary Lease, they are intended only to supplement those provisions to the extent permitted by law.

23. MISCELLANEOUS

These House Rules may be added to, amended or repealed at any time by resolution of the Board of Directors.

The term "residents" or "tenants" is intended to include shareholders, lessee/shareholders, lessees, and sublessees who reside in the building pursuant to subleases approved by the Board in accordance with the Proprietary Lease. In addition, guests, subtenants, and occupants of a lessee (whether or not approved by the lessor in accordance with the Proprietary Lease) shall be subject to and abide by the House Rules and Proprietary Lease. A violation of the Proprietary Lease or House Rules by such occupants, subtenants or guests shall be deemed a violation of the Proprietary Lease or House Rules as applicable, by the shareholder whose apartment is occupied, subleased, or is visited by such occupant or guest, as applicable. All references to the term "lessor" or "corporation" shall mean Thurman Verona Apts. Corp., its officers, Board of Directors, Managing Agent or any authorized agent. These terms are used interchangeably throughout these House Rules.

IMPORTANT NOTE:

VIOLATION OF ANY OF THESE HOUSE RULES & POLICIES MAY SUBJECT THE OFFENDER TO THE PAYMENT OF SUBSTANTIAL LEGAL FEES AND OTHER PENALTIES WHICH MAY ALSO INCLUDE THE LOSS OF ALL RIGHTS AS A TENANT OR SHAREHOLDER, AND POSSIBLE EVICTION FROM THE APARTMENT.

Attachments:

- Appendix A Apartment Carpeting Verification Form (1 page)
- Appendix B Furniture/Appliances Delivery/Disposal Policy & Procedures (3 pages)
- Appendix C Move In/Move Out Policy & Procedures (3 pages)
- Appendix D Construction & Alterations Policy & Procedures (8 pages)
- Appendix E Sublet Policy (3 pages)

HOUSE RULES AGREEMENT

THE UNDERSIGNED HAS READ THE FOREGOING AND AGREES TO ABIDE BY THE HOUSE RULES & POLICIES OF THE THURMAN VERONA APARTMENTS CORP. (as amended, September 1st, 2010)

APARTMENT: # _____,

ADDRESS: _____, FOREST HILLS, NY 11375

NAME: _____
(PLEASE PRINT)

SIGNATURE: _____

NAME: _____
(PLEASE PRINT)

SIGNATURE: _____

DATE: _____

THIS PAGE TO BE COMPLETED AND RETURNED TO:

THE ARGO CORPORATION AS AGENT FOR
THURMAN VERONA APARTMENTS CORP.
65-35 YELLOWSTONE BLVD. – SUITE 1H
FOREST HILLS, NY 11375

APARTMENT CARPETING VERIFICATION FORM

Building #/Address: _____ Apartment # _____

Resident Name(s): _____

Size of Apartment: Studio One Bedroom Two Bedroom Three Bedroom Other

Carpeting Present In:

Type of Carpeting:

Padding Installed:

Entry Foyer	<input type="checkbox"/> YES	<input type="checkbox"/> NO		<input type="checkbox"/> Wall-to-Wall	<input type="checkbox"/> Area Rugs	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Living Room	<input type="checkbox"/> YES	<input type="checkbox"/> NO		<input type="checkbox"/> Wall-to-Wall	<input type="checkbox"/> Area Rugs	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Hallway(s)	<input type="checkbox"/> YES	<input type="checkbox"/> NO		<input type="checkbox"/> Wall-to-Wall	<input type="checkbox"/> Area Rugs	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Bedroom 1	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> Wall-to-Wall	<input type="checkbox"/> Area Rugs	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Bedroom 2	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> Wall-to-Wall	<input type="checkbox"/> Area Rugs	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Bedroom 3	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> Wall-to-Wall	<input type="checkbox"/> Area Rugs	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Other	<input type="checkbox"/> YES	<input type="checkbox"/> NO		<input type="checkbox"/> Wall-to-Wall	<input type="checkbox"/> Area Rugs	<input type="checkbox"/> YES	<input type="checkbox"/> NO

Thickness of Padding: Adequate Inadequate

Are at least 80% of all areas covered with adequate floor coverings and padding/underlay, with the exception of the kitchen, bathroom, and closets? YES NO

Has a floating floor (or similar) with adequate underlay been installed on top of the existing hardwood? YES NO

Notes: _____

Inspected by: _____

Resident Signature: _____

Date of Inspection: _____

*Inspector to attach photographs to this report for all room

FURNITURE/APPLIANCES DELIVERY/DISPOSAL POLICY & PROCEDURES

Important Contact Information:

Managing Agent:
The Argo Corporation – Michael Rudolph
65-35 Yellowstone Blvd, Suite 1H, Forest Hills, NY 11375
(718) 997-0400

Superintendent:
Herbert Gordon
65-35 Yellowstone Blvd, Basement, Forest Hills, NY 11375
(718) 896-8483

1. Prior to any delivery or disposal of furniture, major household appliances or other large items, please contact the Managing Agent to request the *Furniture Delivery/Disposal Sign Off Inspection Form* (see attached). Part I of this form must be completed in advance of any delivery/disposal. Failure to do so may result in a damage assessment.
2. Arrangements for the delivery or disposal of furniture, major household appliances or other large items must be scheduled with the Superintendent at least 48hrs prior to desired delivery date.
3. Delivery/disposal of furniture, major household appliances and other large items may take place Monday through Saturday — 8:00 AM to 5:00 PM, excluding holidays.
4. All delivery/disposal companies must provide proof of insurance to the Superintendent before attempting any delivery.
5. All deliveries/disposals must be done through the service entrances. Delivery persons must be notified of this.
6. Elevators may not be used unless protective padding has been hung in advance by the Superintendent. Please contact the Superintendent if the pads are not up. If the Superintendent isn't available, please call the Managing Agent.
7. All boxes, cartons, and other refuse must be disposed of properly. Contact the Superintendent if disposing of large objects.
8. This form will be returned to you after the delivery or disposal, following inspection by a staff member, along with a note of any anticipated clean up or damage repair costs.
9. If you have any questions or concerns, please contact the Managing Agent.

FURNITURE DELIVERY/DISPOSAL SIGN OFF INSPECTION FORM

Part I of this Delivery/Disposal form must be completed and signed by the Resident and the Superintendent, and the entire form returned to the Managing Agent at least 48 hours prior to the delivery/disposal of furniture or major household appliances.

The cost of any clean up or damage to the building caused by delivery or disposal of furniture or major household appliances will be billed directly to the Resident.

The Cooperative Corporation reserves the right to charge an administrative fee of \$100 for failure of the Resident to comply with any of the policies and procedures stated in the FURNITURE/APPLIANCES DELIVERY/DISPOSAL POLICY AND PROCEDURES which is part of the House Rules.

PART I

Resident Name(s): _____

Building #/Address: _____ Apartment # _____

Contact Phone: _____

This delivery/disposal is for a (check one): Shareholder Shareholder Sublet Tenant Sponsor Rental Tenant

1. Is this a: Delivery Disposal

Desired delivery/disposal date: _____ Day of the Week: _____

Name of delivery/disposal company: _____ Proof of Insurance attached? YES NO

2. Is there any preexisting damage to building and/or common areas that will be used on the date of the above delivery/disposal? YES NO

If yes, please provide description of damage: _____

Staff Member: _____
Name (print) Position Signature Date

Resident: _____
Name (print) Signature Date

FURNITURE DELIVERY/DISPOSAL SIGN OFF INSPECTION FORM [cont]

PART II

3. Were pads installed in the elevator on the date of the above delivery/disposal? YES NO

4. Did any damage occur to any building and/or common areas during delivery/disposal?

Elevator YES NO _____

Service/Basement Entrance(s) YES NO _____

Front Door/Main Entrance to Building YES NO _____

Hallway leading to Apartment YES NO _____

Stairwells (walls, floors, or railings) YES NO _____

Light Fixtures YES NO _____

Other _____

Staff Member: _____
 Name (print) Position Signature Date

Resident: _____
 Name (print) Signature Date

Building #/Address: _____ Apartment # _____

Original to Managing Agent

Copy to Resident

MOVE IN/MOVE OUT POLICY & PROCEDURES

Important Contact Information:

Managing Agent:

The Argo Corporation – Michael Rudolph
65-35 Yellowstone Blvd, Suite 1H, Forest Hills, NY 11375
(718) 997-0400

Superintendent:

Herbert Gordon
65-35 Yellowstone Blvd, Basement, Forest Hills, NY 11375
(718) 896-8483

1. Prior to moving in or out of the building, please contact the Managing Agent to request the *Move In/Move Out Sign Off Inspection Form* (see attached). Part I of this form must be completed and signed by the Resident and the Superintendent, and the entire form returned to the Managing Agent in advance of any move. Failure to do so may result in a damage assessment.
2. The Cooperative Corporation also requires a refundable deposit of \$250.00, in the form of a personal check made payable to "Thurman Verona Apartments Corp.", which must accompany the form.
3. All move-ins and move-outs must be coordinated through the building's Superintendent. Arrangements must be made at least 48 hours prior to the move.
4. Moving in or out of the building may take place Monday through Friday — 8:00 AM to 5:00 PM, excluding holidays. No weekend moving will be permitted.
5. All Moving Companies must provide proof of insurance to the Superintendent before attempting any delivery.
6. All moves must be done through the service entrances. Moving persons must be notified of this.
7. Elevators may not be used unless protective padding has been hung in advance by the Superintendent. Please contact the Superintendent if the pads are not up. If the Superintendent isn't available, please call the Managing Agent.
8. All boxes, cartons, and other refuse must be disposed of properly. Contact the Superintendent if disposing of large objects.
9. Upon completion of the move in or out, you must notify the Managing Agent. This form will be returned to you following inspection by a staff member. Your deposit will be refunded, subject to deduction of the cost of any damages or clean up.
10. If you are moving out, a forwarding address must be provided. In this case, the form will be mailed to you so that you can sign off on Part II of the form. The deposit will be refunded, subject to deduction of the cost of any damages or clean up, as soon as the completed form is received by the Managing Agent.
11. If you have any questions or concerns, please contact the Managing Agent.

Thurman Verona Apts. Corp

House Rules & Policies

Appendix C - Move In/Move Out Policy & Procedures (rev. Sept. 2010)

Page 1 of 3

MOVE IN/MOVE OUT SIGN OFF INSPECTION FORM

Part I of this Move In/Move Out Inspection form must be completed and signed by the Resident and the Superintendent, and the entire form returned to the Managing Agent at least 48 hours prior to any move.

A personal check for \$250, payable to "Thurman Verona Apartments Corp." must also be submitted to the Managing Agent prior to moving in or out of the premises. The cost of any clean up or repairs to any damaged areas noted in point No. 4 of this form will be deducted from the deposit. If the repairs exceed \$250, the resident will be billed for the excess.

The Cooperative Corporation reserves the right to charge an administrative fee of \$100 for failure to comply with any of the policies and procedures stated in the MOVE-IN / MOVE-OUT POLICY AND PROCEDURES, which is part of the House Rules.

PART I

Resident Name(s): _____

Building #/Address: _____ Apartment # _____

Contact Phone: _____

This delivery/disposal is for a (check one): Shareholder Shareholder Sublet Tenant Sponsor Rental Tenant

1. Is this a: Delivery Disposal

Desired delivery/disposal date: _____ Day of the Week: _____

Name of Moving Company: _____ Proof of Insurance attached? YES NO

2. Is there any preexisting damage to the building and/or common areas that will be used on the date of the above move-in/move-out?
 YES NO

If yes, please provide description of damage: _____

Staff Member:	_____	_____	_____	_____
	Name (print)	Position	Signature	Date

Resident:	_____	_____	_____
	Name (print)	Signature	Date

RECEIVED \$250 DEPOSIT FROM: _____ CHECK #: _____

MOVE IN/MOVE OUT SIGN OFF INSPECTION FORM [cont]

PART II

3. Were pads installed in the elevator on the date of the above delivery/disposal? YES NO

4. Did any damage occur to any building and/or common areas during delivery/disposal?

Elevator	<input type="checkbox"/> YES	<input type="checkbox"/> NO	_____
Service/Basement Entrance(s)	<input type="checkbox"/> YES	<input type="checkbox"/> NO	_____
Front Door/Main Entrance to Building	<input type="checkbox"/> YES	<input type="checkbox"/> NO	_____
Hallway leading to Apartment	<input type="checkbox"/> YES	<input type="checkbox"/> NO	_____
Stairwells (walls, floors, or railings)	<input type="checkbox"/> YES	<input type="checkbox"/> NO	_____
Light Fixtures	<input type="checkbox"/> YES	<input type="checkbox"/> NO	_____
Other _____			_____

Staff Member: _____
 Name (print) Position Signature Date

Resident: _____
 Name (print) Signature Date

Building #/Address: _____ Apartment # _____

Original to Managing Agent

Copy to Resident

CONSTRUCTION & ALTERATIONS POLICY AND PROCEDURES

ALTERATION AGREEMENT

This Agreement, made as of this ____ day of _____, _____ between Thurman-Verona Apartments Corp., (the "Corporation") 65-35 Yellowstone Blvd. Forest Hills, NY 11375 c/o (Managing Agent) and (Shareholder) (the "Shareholder") having a mailing address of _____;

WITNESSETH:

WHEREAS, the Shareholder desires to install equipment and/or make alterations in apartment _____ (the "Apartment") at (Building Address): _____;

WHEREAS, the proprietary lease (the "Lease") between the Shareholder and the Corporation provides that no equipment shall be installed and no alterations shall be made in the Apartment without the consent of the Corporation; and

WHEREAS, the Shareholder desires to obtain such consent;

NOW, THEREFORE, the parties agree as follows:

1. **Shareholder's Submissions.** Together with this Agreement, Shareholder is delivering to the Corporation:
 - a. detailed plans, drawings and specifications for the equipment proposed to be installed and/or the alterations proposed to be made which, if so required by the Corporation, have been prepared by a licensed architect or engineer. Such plans, drawings and specifications include a room by room list of the equipment to be installed and the alterations to be made.
 - b. a check in the sum of \$_____ payable to the Corporation for the security deposit required to be posted by the Shareholder as provided for in Section 13 of this Agreement, if required by the Corporation.
 - c. a check in the sum of \$_____ payable to _____, managing agent for the Building (the "Managing Agent"), as a processing fee in connection with this Agreement, if required by the Corporation.
2. **Review of Plans, Drawings and Specification.** The plans, drawings and specifications submitted by the Shareholder shall be subject to review and approval by the Corporation and its architect or engineer (the "Corporation's Designated Engineer"), and the Shareholder shall make such changes in and to such plans, drawings and specifications as the Corporation or the Corporation's Designated Engineer shall require in order to obtain such approval. The term "Plans" as used in this Agreement shall refer to the plans, drawings and specifications as approved in writing by the Corporation and the Corporation's Designated Engineer and the term "Work" shall refer to the work called for by the Plans or any other work performed by or on behalf of the Shareholder. After approval by the Corporation and the Corporation's Designated Engineer, the Plans shall not be modified without the approval of the Corporation and the Corporation's Designated Engineer. Notwithstanding any approval of the Plans by the Corporation or the Corporation's Designated Engineer, the Shareholder shall be solely responsible for the Plans, for insuring compatibility with the systems and facilities of the Building and for compliance with applicable laws and codes.

The Corporation's execution of this Agreement does not constitute consent to the work called for by the plans, drawings and specifications submitted by the Shareholder, and the Corporation retains all of its rights under the Lease to withhold consent. Only written approval of such plans, drawings and specifications as provided for above shall constitute the Corporation's consent to the Work called for by the Plans, and any such consent shall be subject to the terms of this Agreement.
3. **Pre-Conditions to Commencement of Work by Shareholder.** The Shareholder shall not commence the Work unless and until all of the following has occurred:

Thurman Verona Apts. Corp

House Rules & Policies

Appendix D - Construction & Alteration Policy & Procedures (rev: Sept. 2010)

Page 1 of 8

- a. The Corporation and the Corporation's Designated Engineer shall have approved in writing the plans, drawings and specifications submitted by the Shareholder, and the Shareholder shall have received a copy of such approvals.
 - b. The Shareholder shall have submitted to the Corporation (i) a list of all contractors, subcontractors and suppliers who will perform or provide materials for the Work and (ii) complete copies of all agreements entered into with such contractors, subcontractors and suppliers pertaining to the Work.
 - c. The Shareholder shall have made all required filings with, and received all required permits, approvals, licenses and consents from, all governmental agencies having jurisdiction over the Work including, but not limited to, the New York City Buildings Department, the New York City Fire Department and the Landmarks Preservation Commission, and the Shareholder shall have furnished copies of all such filings, permits, approvals, licenses and consents to the Corporation. The determination of the Corporation's Designated Engineer as to the need for any such filing, permit, approval, license or consent shall be conclusive.
 - d. The Shareholder shall have caused each of its contractors to furnish to the Corporation the insurance policies described on Exhibit A attached hereto or certificates thereof. Such policies (i) shall name the Corporation, the Corporation's officers, directors and shareholders, the Corporation's Designated Engineer, the Managing Agent and the Shareholder, as parties insured, (ii) shall be issued by companies reasonably acceptable to the Corporation and (iii) shall provide that they may not be cancelled or terminated without at least ten (10) days prior written notice to the Corporation. The Shareholder shall cause all such insurance policies to be kept in full force and effect until the completion of the Work.
4. **Shareholder to Give Notice Prior to Commencement of Work**. Prior to commencing the Work, the Shareholder shall give at least five (5) days' prior written notice to the Corporation's Designated Engineer, the superintendent of the Building and the Managing Agent of the date on which the Work will commence and the estimated duration of the Work.
5. **Performance of the Work**.
- a. **In General**. The Shareholder shall perform the Work strictly in accordance with the Plans and shall not perform any Work not called for by the Plans. In performing the Work, the Shareholder shall comply with (i) all applicable laws and codes, (ii) the requirements of all insurance policies covering the Work, the Apartment or the Building, (iii) this Agreement, (iv) the Lease, (v) the House Rules, (vi) the requirements of the Corporation and (vii) any directions given by the Managing Agent, the Corporation's Designated Engineer or the superintendent of the Building.
 - b. **Work Hours and Noise**. The Shareholder shall perform the Work diligently and in a manner so as not to disturb other residents of the Building. The Work shall be performed only on Mondays through Fridays (excluding holidays) between the hours of 8:30 a.m. and 5:00 p.m.; provided however, that any noisy work which may disturb other residents shall not be performed before ____ a.m. The Work shall not be performed on weekends or holidays. The Corporation shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing. Any clean up work must be completed prior to 5:00 p.m. and all workers/contractors must vacate the premises by 5:00 p.m., additional time for clean-up will not be granted.
 - c. **Labor Harmony**. The Shareholder shall cause its contractors and subcontractors to employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union.
 - d. **Required Completion Date**. The Shareholder shall cause the Work (other than decorative work such as painting, wallpapering and carpeting) to be completed on or before the date (the "**Required Completion Date**") which is ____ days (excluding weekends and holidays) after the commencement of the Work. If the Work (other than decorative work as aforesaid) shall not be completed on or before the Required Completion Date, the Shareholder shall pay to the Corporation, as liquidated damages on account of late completion, the sum of \$____ per day (excluding weekends and holidays) until the Work is completed. The determination of whether the Work is completed shall be made by the Corporation, and the Corporation's determination shall be conclusive.

- e. **Evidence of Completion.** Upon completion of the Work, the Shareholder shall obtain and deliver to the Corporation (i) a certificate from the architect or engineer who prepared the Plans certifying that the Work has been completed in accordance with all applicable laws and codes and the Plans, and (ii) all required final governmental signoffs and approvals, including if the Corporation shall require, an amended certificate of occupancy and a certificate from the Board of Fire Underwriters. The determination of the Corporation as to the need for an amended certificate of occupancy shall be conclusive.
6. **Inspection and Correction of the Work.** The Corporation shall have the right from time to time to inspect or observe the Work, and for this purpose the Shareholder shall provide access to the Apartment to Corporation's Designated Engineer, the Managing Agent, the superintendent of the Building, or any other person the Corporation may authorize. The Shareholder shall promptly make all corrections required by the Corporation in order to conform to the Plans and the other requirements of this Agreement. If the Corporation so requires, such corrections shall include the removal and replacement of non-conforming work. The Corporation's failure to inspect shall not be considered a waiver of the Shareholder's obligation to comply with this Agreement.
7. **Damage or Adverse Effect Caused by the Work.** The Shareholder shall be responsible for any damage to or any other adverse effect upon the Apartment or the Building (including the structure, shell, systems, equipment, fixtures and finishes of the Building) caused by or resulting from the Work, regardless of when such damage or adverse effect becomes apparent. If any such damage or adverse effect shall occur or arise, the Corporation may (a) require the Shareholder, at its expense, promptly to repair the damage or remedy the condition giving rise to such adverse effect and/or (b) repair such damage or remedy such condition at the Shareholder's expense.
- Without limiting the generality of the foregoing, the Shareholder specifically acknowledges that this Section 7 shall be applicable to any damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevators and other common areas (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged).
- If the Managing Agent advises the Shareholder of any damage which, in the Managing Agent's opinion, was caused by the Work, the Shareholder shall promptly submit a claim to the Shareholder's insurance carrier and to Shareholder's contractor for submission to its insurance carrier, and the Shareholder agrees to use all reasonable efforts, and to cause its the contractor to use all reasonable efforts, to cause such insurance carriers to expeditiously review and settle all such claims for which they are responsible. The provisions of this paragraph shall not limit the Shareholder's liability under this Section 7.
8. **Indemnification by Shareholder.** The Shareholder shall indemnify and hold harmless the Corporation, the Corporation's officers, directors and shareholders, the Corporation's Designated Engineer, the Managing Agent and the other residents of the Building (the "Indemnified Persons") against any loss, cost, claim, damage (including damage to persons or property) or expense arising out of or related to the Work or any act or omission of the Shareholder or any of its contractors, subcontractors, architects, engineers or consultants, including reasonable attorneys fees and disbursements incurred by any of the Indemnified Persons in the defense of any such claim or any suit, action or proceeding based thereon.
9. **Shareholder to Bear All Costs Associated with Work.** The Shareholder shall be responsible for all costs incurred by the Shareholder or the Corporation in connection with the Work or this Agreement, including the fees and disbursements of any attorney, architect, engineer or consultant retained by the Corporation in connection with the Work or this Agreement. Without limiting the generality of the foregoing, the Shareholder specifically agrees to reimburse the Corporation for all charges of the Corporation's Designated Engineer for the review of the plans, drawings and specifications submitted by the Shareholder, for inspection of the Work or otherwise related to the Work or this Agreement.
10. **Additional Requirements.**
- a. **No Change in Building Heating or Air-Conditioning.** The Shareholder recognizes that there will be no change in the operation of the Building's heating system or air-conditioning system to facilitate the functioning of any heating or air-conditioning units which the Shareholder may be installing.
- b. **Prohibited Construction Methods.** The Shareholder shall not interfere with the Building's intercom, gas, electric, heating, air-conditioning or plumbing system or any other Building system or service. The Shareholder shall not penetrate any exterior Building wall.

- c. **Accessibility of Valves.** The Shareholder shall insure that all water, steam, gas and other valves remain accessible during the performance of and after the completion of the Work. If any valve is enclosed in violation of this Agreement, then the Corporation may (i) require the Shareholder, at its expense, promptly to remove such enclosure and/or (ii) remove such enclosure at the Shareholder's expense.
- d. **Use of Public and Common Areas During Work.** The Shareholder shall not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of building materials or debris. The Shareholder shall cause its contractor to cover with construction paper the floor of any back hall to be used in connection with the Work and shall also cause its contractor to take all precautions necessary to prevent damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevators and other common areas.
- e. **Shareholder to Maintain Certain Safety Precautions.** Shareholder shall maintain functioning fire extinguishers and smoke alarms in the Apartment throughout the prosecution of the Work. Shareholder shall insure that the Work does not block access to any fire exits in the Building. Shareholder shall install smoke detectors within 15 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and if a child 10 years old or under lives in the Apartment Shareholder shall install window guards pursuant to Section 131.15 of the New York City Health Code.
- f. **Shareholder to Control Refuse, Dirt, Dust.** Shareholder shall take all precautions to prevent dirt and dust from permeating other parts of the Building during the progress of the Work, and shall place all materials and rubbish in barrels or bags before removing the same from the Apartment. All such barrels and bags and all rubbish, rubble, discarded equipment, empty packing cartons and other materials shall be removed from the Apartment and taken out of the Building at Shareholder's expense. Shareholder recognizes that only the service elevator may be used for such removal and only at such times as the superintendent of the Building may direct. Shareholder shall not permit any dumpster or garbage container to be left overnight in front of the Building and shall not permit any dumpster or garbage container to be left for more than five (5) consecutive days at the side of the Building. Notwithstanding the foregoing, the placement of any dumpsters shall comply with all governmental regulations, including without limitation, obtaining any necessary permits.
- g. **Lead-Based Paint.** The Federal Task Force on Lead-Based Paint Hazard Reduction has recommended and Local Law 38 of 1999 of the City of New York requires in all buildings erected prior to January 1, 1960 certain maintenance practices, including (i) limiting access to the work area to only workers, (ii) isolating the work area with polyethylene plastic or equivalent, (iii) protecting the workers, (iv) protecting the Shareholder's belongings by covering or removing them from the work area, (v) wetting the painted surfaces before disturbing the paint and (vi) wetting the debris before sweeping. The Task Force has indicated that certain removal practices are unsafe, including (i) open flame burning, (ii) power sanding or sandblasting (unless a special vacuum attachment is used to contain dust), and (iii) dry scraping more than a de minimis surface area (de minimis means an area of less than one square foot per room). The Shareholder shall cause the Shareholder's contractors and/or workers to perform the Work consistently with the recommendations of the Task Force and shall upon completion of the Work perform specialized cleaning of the work area using methods designed to safely remove dust and debris which may contain lead. No more than sixty (60) days prior to beginning renovation activities in the Apartment, the Shareholder shall cause its contractor to provide to the Shareholder and any other occupant of the Apartment with the Environmental Protection Agency (the "EPA") pamphlet entitled, Protecting Your Family from Lead in the Home, (the "Pamphlet"), and the Shareholder shall furnish the Contractor with a written acknowledgement of receipt. The Shareholder hereby acknowledges that the Corporation has no liability or obligation in connection with this notification requirement of the EPA.
- h. **Installations by Shareholder.** Shareholder agrees that any air conditioning units, terrace plantings and/or structures, wherever located in the Building, may be removed by the Corporation for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of the Shareholder.
11. **Shareholder to Comply with Laws, etc.** The Shareholder shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, casualty or other insurance policies carried by Shareholder or for Shareholder's benefit. The Shareholder shall comply with all federal, state and local laws, rules and regulations pertaining to the Work, including any such laws, rules and regulations pertaining to lead-based paint, asbestos and other hazardous material.
12. **Maintenance and Repair of the Work.** Notwithstanding anything to the contrary contained in the Lease, the Shareholder shall be responsible for the maintenance, repair and replacement of the Work and any portions of the Apartment affected by the Work, and for all costs incurred by the Corporation or the Shareholder in connection therewith. Furthermore, the Shareholder releases the Corporation, the

Managing Agent, the Corporation's agents and employees from any liability for damage to the Work or any portion of the Apartment affected by the Work however arising.

13. **Shareholder's Security Deposit; Additional Rent Under Lease.** As security for the faithful performance and observance by Shareholder of the terms and conditions of this Agreement, the Shareholder has deposited the sum indicated in Section 1(b) with the Corporation. The Shareholder agrees that the Corporation may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Corporation under this Agreement. If the deposit is diminished by one-half of the original amount, the Shareholder shall replenish it to the full amount within (3) days after written demand. The Shareholder's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle the Corporation to stop the Work, and/or exercise any remedies it has hereunder. If the Shareholder shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to the Shareholder after completion of the Work. The Corporation's release of the security deposit shall not constitute acceptance of the Work by the Corporation or a waiver of any of the Corporation's rights under this Agreement. Any sums due to the Corporation under this Agreement and not recovered by application of the security deposit shall be chargeable as additional rent under the Lease.

14. **Assumption by Purchaser.** The Shareholder (a) shall advise the person or persons to whom it transfers the Apartment ("Purchaser") of the Work undertaken by the Shareholder pursuant to this Agreement; (b) shall provide copies of the Plans and this Agreement to the Purchaser; and (c) shall cause the Purchaser to execute and deliver to the Corporation an agreement substantially in the form of Exhibit B hereto pursuant to which the Purchaser shall assume all of the obligations of Shareholder under this Agreement, including the obligation under this Section 14 with respect to any transfer of the Apartment by the Purchaser.

The Shareholder hereby waives any claim against the Corporation on account of (a) the Corporation advising a potential Purchaser of the provisions of this Agreement, including this Section 14, and/or (b) refusing to consent to or register the transfer of the Apartment to such potential Purchaser unless and until such potential Purchaser shall execute and deliver to the Corporation an agreement in the form of Exhibit B hereto.

15. **Miscellaneous.** This Agreement and the Lease represent the only agreements between the Corporation and the Shareholder relative to the subject matter hereto. This Agreement may not be changed orally. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement. THE CORPORATION AND SHAREHOLDER WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT.

16. **Shareholder's Breach and Corporation's Remedies.** Any breach by the Shareholder of any of the provisions of this Agreement shall constitute a breach of the Lease and shall entitle the Corporation to exercise all of the rights and remedies therein provided. In addition, the Corporation shall also have the right (a) to suspend the Work and prevent workers from entering the Apartment for any purpose other than to remove their tools, and/or (b) to revoke its consent to the Work, and/or (c) to exercise any of the rights and remedies provided for herein. The remedies provided for herein and in the Lease shall not be exclusive and the Corporation shall also be entitled to exercise any of the remedies provided by applicable law.

IN WITNESS WHEREOF, Shareholder and the Corporation have executed this Agreement.

For Thurman Verona Apartments Corp.

By: _____
Officer or Managing Agent

Shareholder

Shareholder

Exhibit A

Each of Shareholder's contractors shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Corporation, licensed to do business in the State of New York, and all such policies shall name the Corporation, the Corporation's officers, directors and shareholders, the Corporation's Designated Engineer and the Managing Agent as additional named insureds. No diminution of limits of insurance will be permitted.

- (i) **WORKER'S COMPENSATION** as required by law together with Employer's Liability Insurance and Disability Benefits Insurance as required by the State of New York.
- (ii) **COMMERCIAL GENERAL LIABILITY** including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, without any exclusion relating to Explosion, Collapse and Underground Property Damage.

The policy will contain the "Broad Form Comprehensive General Liability" endorsement in Section 1 in such form; the exclusion pertaining to liability assumed by the Contractor under any contract or agreement (Section II Section B(1)) is to be deleted. The Completed Operations Coverage is to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work.

The policy is also to include (a) Owners Protective Liability Coverage, (b) Knowledge of Occurrence and Notice of Occurrence endorsements and (c) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material, and shall not include a sunset clause without the Corporation's consent.

\$1,000,000 BODILY INJURY & PROPERTY DAMAGE*
(combined single limit)

- (iii) **COMPREHENSIVE AUTOMOBILE LIABILITY**, including non-ownership and hired car coverage, as well as owned vehicles:

\$1,000,000 BODILY INJURY & PROPERTY DAMAGE (combined single limit)

- (iv) **UMBRELLA LIABILITY, BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE** If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

\$3,000,000 COMBINED *
(combined single limit)

** Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.*

Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Corporation showing that such insurance is in full force and the premiums due thereunder have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without ten (10) days written advance notice thereof to the Corporation. The Contractor shall promptly furnish the Corporation with copies of any endorsements subsequently issued amending insurance coverage or limits.

In the event of the failure of the Contractor to furnish and maintain such insurance, the Corporation shall have the right, at its option, at any time:

(a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or

(b) to take out and maintain the said insurance for and in the name of the Corporation, the Contractor or the Shareholder and, in such a case, the Shareholder agrees to pay the cost thereof and to furnish all information and consents necessary to permit the Corporation to take out and maintain such insurance for and in the name of the Corporation, the Contractor or the Shareholder.

Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve the Shareholder from liability assumed under any provisions of this Agreement.

The Contractor's insurance policy shall also contain in substance the following endorsement:

This insurance shall not be invalidated should the insured waive, in writing, prior to a loss, any or all right of recovery against any party for the loss occurring to the Property described herein.

Nothing in this Exhibit A shall constitute a waiver of or limitation of any other rights or remedies the Corporation may have for consequential damages or otherwise.

**EXHIBIT B
ASSUMPTION OF ALTERATION AGREEMENT***

WHEREAS, simultaneously with its execution and delivery of this Assumption of Alteration Agreement the undersigned is becoming the owner of the shares in the _____ (the "Lessor Corporation") and the proprietary lease appurtenant to Apartment _____ (the "Apartment") in the building known as _____; and

WHEREAS, a prior owner of the Apartment and the Lessor Corporation entered into an Alteration Agreement dated _____ (the "Alteration Agreement"), a copy of which is attached hereto,

WHEREAS, the Alteration Agreement (1) provides that any person acquiring the Apartment shall assume the obligations of the Shareholder under the Agreement and (2) authorizes the Corporation not to consent to or register the transfer of the Apartment to any person unless and until such person assumes the obligations of the Shareholder under the Agreement

NOW, THEREFORE, in order to induce the Corporation to consent and register the transfer of the Apartment to the undersigned, the undersigned hereby ASSUMES AND AGREES TO PERFORM AND OBSERVE all the terms, covenants and conditions of the Alteration Agreement to be performed or observed by the Shareholder thereunder (including the provisions of Section 14 thereof pertain to future transfers).

Henceforth, the term "Shareholder" as used in the Alterations Agreement shall include the undersigned. Any breach of this Assumption of Alterations Agreement or of the Alterations Agreement shall constitute a breach of the lease appurtenant to the Apartment. This Assumption of Alteration Agreement shall be binding on the undersigned and [her][his] estate, heirs, executors, administrators, personal representatives, successors and assigns.

New York, N.Y.

Date: _____

State of New York }
 } ss.:
County of New York }

On this _____ day of _____, _____, before me personally came _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that [she][he] executed the same.

Notary Public

SUBLET POLICY

The Proprietary Lease provides that the Board of Directors has the authority to grant or deny applications submitted by a shareholder for the sublet of their apartment. All sublets, and renewal thereof, are subject to the Board's approval, which may be granted or denied at the Board's discretion for any, or no reason. The Board is not required to state the reason for a denial of an application or for the renewal of an existing sublease.

This Sublet Policy was established in the best interests of all shareholders and in order to preserve and enhance the financial stability of the cooperative. As such, exceptions to the policy may be entertained when the number of sublets does not threaten the financial stability of the cooperative and the exception does not exclude other shareholders from exercising the same privilege of subletting.

The Board of Directors set forth the following general parameters regulating the sublet of apartments by shareholders.

1. NUMBER AND TERM OF SUBLETS

- a) Shareholders must reside in their apartment for a minimum of one (1) year before a request to sublet will be considered.
- b) Sublets may be granted for one (1) year only, with the possibility of additional one-year subsequent renewal(s) subject to Board approval. Sublets for less than one (1) year will not be considered.
- c) Shareholders should request a sublease application package from the Managing Agent and submit the completed package at least forty-five (45) days prior to the commencement date of the proposed sublease.

The proposed subtenants will be required to be interviewed by the Board of Directors or a Committee of the Board of Directors. No subtenants may move into the apartment prior to receiving approval by the Board of Directors.

2. SUBLET FEES

- a) Shareholder must provide the following payments with the application package in order for the application to be considered:
 - \$300 non-refundable check for processing fee payable to: Thurman Verona Apartments Corp.
 - \$350 non-refundable check for processing fee payable to: The Argo Corporation.
 - \$45 non-refundable check for a credit check payable to: The Argo Corporation.

Upon Approval of the Sublet

- b) A sublet fee, as determined by the Board of Directors, is payable every month for each month of the sublet term and will be added to the shareholder's monthly maintenance bill.
- c) A move-in security deposit in the amount of \$250 payable to "Thurman Verona Apartments Corp." together with Part I of the Move In/Move Out Sign Off Inspection Form duly completed. The deposit will be refunded minus any damages that may have occurred as a result of the move. The shareholder must also comply with this procedure when the subtenant vacates the apartment.

3. SUBLET APPLICATION

- a) A complete sublet application package along with the above processing fees must be submitted to the Cooperative's Managing Agent at least forty-five (45) days prior to the proposed commencement date of the sublease.
- b) If the application is accepted, an interview of the prospective subtenant will be conducted by the Board of Directors or a Committee of the Board.

4. RENEWAL APPLICATION

- a) Renewal applications (whether new or the existing subtenant) must be submitted at least forty-five (45) days prior to the expiration of the lease in order for the Board to consider the application. If the renewal is for a new subtenant, a new application package along with all the processing fees must be submitted.
- b) Renewal applications with new prospective subtenants are subject to the Board's approval and **an interview**, which will be conducted by the Board of Directors or a Committee of the Board of Directors.

5. ILLEGAL SUBLETS

- a) Shareholders that have existing subleases that have not been approved by the Board of Directors in writing, must comply with the following:
 - Notify the Managing Agent immediately that you have a subtenant residing in your apartment.
 - Submit a copy of the Sublease Agreement to the Managing Agent.
 - The existing sublet is subject to the following terms:
 - i.) A \$100 sublet fee will be added to the monthly maintenance effective immediately.
 - ii.) A retroactive \$100 sublet fee will be charged for all months the subtenant has been residing in the apartment prior to notifying the Managing Agent
 - iii.) Requests for renewal will not be considered

b) If a shareholder does not come forward about an illegal sublet, when discovered the shareholder will be subject to the following:

- A \$2500 penalty.
- A \$1000 application & processing fee.
- A \$1000 per month fine, beginning from the date the illegal sublet is discovered, to the date that the co-op board grants the approval or denial of the sublet to be continued.
- All other sublet fees that would have otherwise been due.
- If applicable, notification to the shareholder's lender that the shareholder is in default of the Proprietary Lease.
- Denial of any further request by the shareholder for the sublet of the apartment.

6. MISCELLANEOUS

- a) Once approved, the subtenants must agree to abide by the House Rules and acknowledge receipt of same.
- b) Once approved, the subtenants must agree to obtain homeowners insurance and provide a copy of same to the Managing Agent.
- c) Subtenants will not be permitted to have pets without the express written permission of the Board of Directors or Managing Agent.
- d) Shareholders may not sublet their parking space in the garage.