

The Vermeer Owners, Inc.
77 7th Avenue
New York, N.Y. 10011

January 19, 2011

Dear Shareholders:

The Board of Directors has amended the House Rules circulated on February 1, 2008 to include more detail regarding board policies followed but not specified in the current rules. The revised rules, effective February 1, 2011 are attached. The revisions are to the following Sections:

1. Section 2 – Public Area Rules

Paragraph (h) Smoking in Public Areas. A new paragraph has been added to remind residents of the NYC Smoke Free Air Act of 2002 prohibiting smoking in common areas of a multiple dwelling.

2. Section 3 – Apartment Rules

Paragraph (a) – Use – The existing paragraph prohibits the use of an apartment for investment purposes. The amendment adds the co-op's longstanding requirement that approvals of new purchasers and transfers of shares are subject to proof that the apartment will be used only as a primary residence;

Paragraph (k) – Smoke, Carbon and Gas Detectors – A new paragraph is added noting City laws requiring the installation and maintenance of smoke and carbon monoxide detectors in every apartment and setting forth the conditions under which the board may require the installation of a gas detector or other measures to protect the building against undetected gas leaks.

3. Section 6 – Maintenance Rules

Paragraph (c) – Access For Vermin and Health Hazard Control – In response to the spreading bedbug epidemic in New York City and nation-wide, the board is adding a new sub-paragraph to this existing rule -- (c-1) Bedbugs -- which expands on the requirement for shareholder cooperation with measures the managing agent may take, and may require the shareholder to take, in order to prevent or act upon any bedbug infestation detected.

4. Section 7 – Administrative Rules

Paragraph (g-1) – Sublets – Additional language provides additional details on the board's current requirements when reviewing sublet applications;

Paragraph (g-3) – Ownership by Trust or Estate – This is a new section incorporating the board's current criteria for approving applications to transfer ownership to a trust, provided that the shareholder remains in occupancy.

The section also notes the conditions under which an estate may hold onto an apartment when a shareholder has deceased and establishes a fee schedule for apartments owned by an estate for more than two years.

The Board of Directors

THE VERMEER OWNERS, INC.

HOUSE RULES

(Consolidated and Updated – May 16, 1995; February 1, 2008; February 1, 2011)

**THE VERMEER OWNERS, INC.
HOUSE RULES**

(Consolidated and Updated – May 16, 1995; February 1, 2008; February 1, 2011)

TABLE OF CONTENTS

1. DEFINITIONS

- (a) Residents
- (b) Tenants
- (c) Corporation
- (d) Shareholder
- (e) HR1995
- (f) Clarified 2/08
- (g) Amended 2/08
- (h) Clarified 2/11
- (i) Amended 2/11

2. PUBLIC AREA RULES

- (a) Use
- (b) Article Placement
- (c) Wheeled Items
- (d) Decorations
- (e) Play Prohibition
- (f) Bicycle Room And Other Spaces
- (g) Transportation In Elevators And Other Public Areas
 - (g-1) Messenger/Trade Access
 - (g-2) Trunks And Heavy Baggage
 - (g-3) Carts, Recreational Wheeled Vehicles, Large Items, Contractors And Their Equipment
 - (g-4) Companion Animals (See Section 5(d) for Transportation of Dogs and Cats in Elevators And Other Public Areas)
- (h) Smoking in Public Areas

3. APARTMENT RULES

- (a) Use
- (b) Safety
- (c) Noise
 - (c-1) Musical Instruments
 - (c-2) Construction, Repair Work
- (d) Water Closet/Apparatus Use
- (e) Appliance Restrictions
- (f) Water Bed Restrictions
- (g) Building Façade Extensions Prohibited
- (h) Aerials/Satellite Dishes Restricted
- (i) Window Displays/Solicitation Prohibited
- (j) Window Care
- (k) Smoke, Carbon Monoxide and Gas Detectors

4. EXTERIOR RULES

- (a) Terrace, Balcony, Roof Limitations
- (b) Roof Use
- (c) Vehicle Parking

5. COMPANION ANIMAL RULES (DOGS, CATS, BIRDS)

- (a) Community Relations
- (b) Conduct
- (c) Limitations
- (d) Transportation in Elevators And Other Public Areas
 - (d-1) Dogs
 - (d-2) Cats
 - (d-3) Dogs In Designated Elevators
 - (d-4) Dog Walkers
 - (d-5) Service Elevator Availability

6. MAINTENANCE RULES

- (a) Refuse Disposal
- (b) Service Complaints And Requests
- (c) Access For Vermin And Health Hazard Control
 - (c-1) Bedbugs

7. ADMINISTRATIVE RULES

- (a) Apartment Insurance
- (b) Moves; Deliveries
- (c) Alterations, Decorating
- (d) Private Use of Staff
- (e) Keys
- (f) Open Houses; In-Apartment Exhibitions Or Sales
- (g) Sale, Sublet, Refinancing, Transfer of Shares, Transfer Fees, Guest Policies
 - (g-1) Sublets
 - (g-2) Guests and Roommates
 - (g-3) Ownership By Trust or Estate

8. BREACH OF RULES

9. RULE AMENDMENTS; APPROVALS REVOCABLE

THE VERMEER OWNERS, INC.

HOUSE RULES

(Consolidated and Updated – May 26, 1995; February 1, 2008; February 1, 2011)

1. DEFINITIONS

- (a) Residents. The term “residents” is used where the rule is intended to apply to all apartment occupants, including shareholders, shareholder/lessees, tenants, family members, roommates and guests.
- (b) Tenants. The term “tenants” is used where the rule is intended to apply to under-tenants and sub-lessees who reside in the building pursuant to subleases approved by the Board of Directors in accordance with the Proprietary Lease.
- (c) Corporation. The term “corporation” means the cooperative corporation or The Vermeer Owners, Inc. and is used where the rule is intended to apply only to the lessor, defined in the Proprietary Lease as the owner of the land and building erected in the City of New York, known as The Vermeer, 77 Seventh Avenue, New York, New York 10011.
- (d) Shareholder. The term “shareholder” is used where the rule is intended to apply only to the lessee, defined in the Proprietary Lease as the owner of shares of the lessor, or cooperative corporation, which have been allocated to the lessee’s apartment in the building.
- (e) HR1995. “House Rule1995” plus a number indicates the rule’s location in the Rules distributed in 1995 as amended through that date. Paragraphs without a 1995 number represent policies that were adopted after 1995 or that were not incorporated into the Rules at that time.
- (f) Clarified 2/08. Minor editing incorporated; no substantive change.
- (g) Amended 2/08. Substantive change incorporated.
- (h) Clarified 2/11. Minor editing incorporated; no substantive change.
- (i) Amended 2/11. Substantive change incorporated.

2. PUBLIC AREA RULES

- (a) USE (HR1995-1) The public halls and stairways of the building shall not be obstructed or used for any purpose other than ingress to and egress from the apartments in the building.
- (b) ARTICLE PLACEMENT (HR1995-5, amended and clarified 2/08). No article shall be placed in the halls or on the staircase landings or elevators nor shall anything be hung, shaken or thrown (including cigarettes) from the doors, windows, terraces, balconies or roofs or placed upon the window sills, ledges or fire escapes, if any, of the building.

It is a violation of Fire Department regulations to keep items such as shoes, boxes, umbrellas, bottles, packages or "diet" box deliveries or accumulated magazines and newspapers in common hallways outside of apartment doors. When out of town, shareholders should arrange to suspend newspaper or other deliveries to their door or request that they be held in the package room.

- (c) **WHEELED ITEMS** (HR1995-8; amended 6/21/95, 9/12/05) (See also Par. 1 (g) – Transportation in Elevators). No velocipedes, mopeds, bicycles, scooters, strollers, baby carriages or other wheeled items shall be allowed to stand in public halls, passageways, areas or courts of the building. No recreational wheeled items, including but not limited to skates, skateboards, bicycles, scooters, and roller blades, shall be ridden or used in the lobby or other public areas.
- (d) **DECORATIONS**. (HR1995-3, amended 5/13/87; amended 2/08) No public hall of the building shall be decorated or furnished in any manner without the prior consent of the Board of Directors. It is a violation of Fire Department regulations to display live and/or non-fireproofed wreaths on apartment doors.
- (e) **PLAY PROHIBITION**. (HR1995-2, clarified 2/08) No resident or guest, including children, shall play in the public halls, courts, stairways, basement, lobbies, elevators, on the roof or any other common area of the building.
- (f) **BICYCLE ROOM AND OTHER SPACES**. (HR1995-17, amended 2/08). The corporation shall have the right from time to time to curtail or relocate any space devoted to storage or other use. There are a limited number of bicycle storage spaces available on a first come first serve basis. Consult the Concierge Desk or the managing agent for bicycle space application, required fees and key access. Residents assigned bicycle space(s) pursuant to a signed agreement must comply with all rules posted in the Bicycle Room. The corporation reserves the right to revoke assigned space(s) for non-compliance with the rules and shall have the right to curtail or relocate any space devoted to such bicycle storage use.
- (g) **TRANSPORTATION IN ELEVATORS AND OTHER PUBLIC AREAS**.
(See also Companion Animals paragraph 5 (d) and Wheeled Items paragraph 2 (c).)
 - (g-1) **MESSENGER/TRADE ACCESS**. (HR1995-9; clarified 2/08) Messengers and trade people shall use such means of ingress and egress as shall be designated by the corporation.
 - (g-2) **TRUNKS AND HEAVY BAGGAGE** (HR1995-11) Trunks and heavy baggage shall be taken in or out of the building through the service entrance.
 - (g-3) **CARTS, RECREATIONAL WHEELED VEHICLES, LARGE ITEMS, CONTRACTORS AND THEIR EQUIPMENT**. (HR1995-28; Amended 9/12/05; 5/06; Clarified 2/08). Residents, their guests and household help, with luggage, laundry or grocery carts must use the service elevator unless it is out of service. Residents with prams or strollers may use the passenger cars. Delivery persons, contractors and movers must use the service elevator. All furniture, as well as bicycles and other recreational wheeled items, must be transported in the service elevator.
 - (g-4) **COMPANION ANIMALS**. (See Section 5(d) for Transportation of Dogs and Cats in Elevators and Other Public Areas.)

- (h) **SMOKING IN PUBLIC AREAS** (Amended 2/11). In accordance with the NYC Smoke Free Air Act of 2002, smoking is prohibited in the common areas of a residential building containing 10 or more dwelling units. This includes the building's lobby, hallways, elevators, basement, laundry room, stairwells and other public areas.

3. APARTMENT RULES

- (a) **USE**. (Clarified 2/08, Clarified 2/11) Apartments may be used for residential purposes only. Shareholders may not maintain an apartment for investment purposes and may only rent on a limited basis pursuant to a Board of Directors' approved sublet. (See Section 7(g-1) Sublets.) Approvals of new purchasers and transfers of shares are subject to proof that the apartment shall be used only as a primary residence subject to the restrictions of Section 7 (g). Residents are not permitted to conduct business or see clients in the building. No solicitation of any kind is permitted in the building, except in connection with building affairs. (See also Section 7(f) Open Houses; In-Apartment Exhibitions or Sales.)
- (b) **SAFETY**. (Clarified 2/08.) Residents shall comply with New York City laws requiring the installation and maintenance of smoke and carbon monoxide detectors in each apartment, as further noted in paragraph (k) of this Section. Residents shall also comply with all other City codes applicable to apartments in multiple dwellings including those circulated each year by the managing agent regarding Fire Safety, Emergency Preparedness and the required installation of window guards in apartments where children age ten years or younger reside.
- (c) **NOISE**. (HR1995-4, Amended 8/11/82; clarified 2/08) No resident shall make or permit any disturbing noises in the building or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other residents. Between the hours of 11:00 p.m. and the following 8:00 a.m., no resident shall be permitted to operate a sound system, radio, television, CD/DVD, exercise equipment or other noisy machinery in resident's apartment in a manner that may disturb or annoy other occupants of the building. Any such sounds sufficiently loud as to be audible through the walls between units are deemed unreasonably loud and not permitted.
- (c-1) **MUSICAL INSTRUMENTS**. (HR1995-29, Amended 7/16/96; clarified 2/08) No resident may bring drums or other percussion instruments (except pianos) or electronically amplified instruments of any kind into the building. Residents who maintain musical instruments in their apartments may play them only between the hours of 9 a.m. and 9 p.m. and in such a manner as to be sensitive to other residents.
- (c-2) **CONSTRUCTION, REPAIR WORK**. (HR1995-4; Amended 8/11/82; 2/08) No construction or repair work or other installation involving noise shall be conducted in any apartment except on weekdays (not including legal holidays) between the hours of 8:00 a.m. and 5:00 p.m., and on Saturdays between the hours of 10:00 a.m. and 5:00 p.m. No such work will be conducted on Sundays or holidays as listed on the yearly holiday schedule available at the Concierge Desk.

No Alteration or Decorating work performed by contractors shall be conducted in any apartment except on weekdays during hours noted above, not including the yearly holiday schedule.

- (d) **WATER CLOSET/APPARATUS USE.** (HR1995-13, Amended 2/08). Water closets and other water apparatus (including toilets, sinks, showers and bathtubs) in the building shall not be used for any purposes other than those for which they were constructed, nor shall any sweepings, rubbish, rags, cat litter, or any other articles be thrown into them. The cost of repairing any damage resulting from misuse of any water closets or other apparatus shall be paid for by the shareholder in whose apartment it shall have been caused. No jacuzzi, toilet, tub or shower may be installed without written approval of the building's managing agent. In the event that a toilet is being replaced, it must be replaced by a toilet that uses a tank flush system. (Consult with the corporation's Alteration Policy and Agreement available at the Concierge Desk or from the managing agent for details.)
- (e) **APPLIANCE RESTRICTIONS.** (HR1995-25, Added 2/10/83) No clothes washer and/or dryer of any type, or electric oven (not including microwave) or ranges shall be installed by any shareholder or tenant in any apartment.
- (f) **WATER BED RESTRICTIONS.** (HR1995-26, Added 5/23/88) No resident or tenant shall install a water bed in any apartment unless written permission has been obtained therefore from the Board of Directors. Such permission shall be granted only upon proof of medical necessity and such liability insurance coverage as the Board may from time to time require. (Applicable to water beds acquired after date of enactment.)
- (g) **BUILDING FAÇADE EXTENSIONS PROHIBITED.** (HR1995-6, Amended 9/8/82) No object of any kind, regardless of form or size, shall be installed or used if the same extends or protrudes beyond the building facade or any window. No window air conditioning units shall be installed. Air conditioning units, even those of the "energy-saving or efficiency" type may be installed only in the existing sleeves already provided therefore. However, no part of the apparatus shall extend beyond said sleeve.
- (h) **AERIALS/SATELLITE DISHES RESTRICTED** (HR1995-16, Amended 2/08). No radio, television aerial or satellite dish shall be attached to or hung from the exterior of the building without the prior written approval of the corporation or the managing agent.
- (i) **WINDOW DISPLAYS/SOLICITATION PROHIBITED.** (HR1995-7, Amended 7/22/87; 2/08) No sign, flag, notice, advertisement or illumination shall be inscribed and, except for shades, drapes or blinds, nothing shall be adhered to or otherwise attached or exposed on or at any window or other part of the building, except such as shall have been approved in writing by the corporation or the managing agent. No solicitation, including under doors, shall be permitted in the building, except in connection with building affairs.
- (j) **WINDOW CARE.** (HR1995-20) Shareholders shall keep the windows of the apartment clean. In case of refusal or neglect of the shareholder during 10 days after notice in writing from the corporation or the managing agent to clean the windows, such cleaning may be done by the corporation, which shall have the rights, by its officers or authorized agents, to enter the apartment for the purpose and to charge the cost of such cleaning to the shareholder.

- (k) **SMOKE, CARBON MONOXIDE AND GAS DETECTORS.** (Amended 2/11) In accordance with the New York City Housing Maintenance Code, shareholders are required to install and maintain smoke detectors and carbon monoxide detectors in working order in their apartments. Shareholders are encouraged to install and maintain gas detectors as well. The Board of Directors reserves the right to require a shareholder to install a gas detector if the Board determines that such shareholder failed to detect and/or report a gas leak in the shareholder's apartment, or in the case of repeated failure to detect such leaks, to take additional measures as determined by the Board to protect the building.

4. EXTERIOR RULES

- (a) **TERRACE, BALCONY, ROOF LIMITATIONS.** (HR1995-23, Amended 7/14/82; 2/08).

Any structure, installation or planting on any terrace, balcony, setback or roof must comply with the New York City Building Code including the maximum live load regulations which limit the size and weight of such additions.

No shareholder shall install fences, awnings or structures of any kind, including automatic watering systems, immovable and/or heavy furniture or sculpture on any terrace, balcony, setback or roof without the prior written approval of the corporation, and, if appropriate, the New York City Department of Buildings.

No shareholder shall install fences, awnings or structures of any kind on any terrace, balcony, setback or roof which do not have access through the apartment by a door.

No shareholder shall paint the walls or surfaces of any terrace, balcony, setback or roof without the prior written approval of the corporation nor shall outdoor carpeting, wood decks, or other terrace surface covers be permitted.

No cooking shall be permitted on any terrace, balcony, setback or roof of the building.

Shareholders shall be responsible for maintaining all terrace and balcony drains clear of debris and leaves. Planters and furniture shall be placed to allow access for routine maintenance of plants and easy flow of water to the drain.

No shareholder shall install any plantings on any terrace, balcony, setback or roof without the prior written approval of the corporation. Plantings and/or planters, where allowed, shall conform to the Terrace Planter Guidelines that can be obtained from the managing agent, including, but not limited to, the following:

- The total calculated weight of all planters on any terrace surface shall not exceed three (3) pounds per square foot on the total terrace area (i.e., a 300 square foot terrace may not have more than 900 pounds of planters.)
- Plantings shall be contained in clay pots or containers of rot resistant wood, plastic or other durable lightweight materials.
- Containers and heavy pots shall stand on supports at least two inches from the terrace, balcony or roof surface.
- Pots must be placed on drainage saucers. Square and rectangular planters must be placed on stone or concrete bearing blocks. Wood blocks, which can rot, and metal wheels, which can rust, shall not be permitted.
- All planters must be placed a minimum of ten inches from any wall, parapet, fence, drain, pitch box or other planters. For small terraces and balconies, requests to reduce this to a minimum of four inches may be submitted to the corporation for review on a case by case basis.
- Suitable weep holes shall be provided in all planters to draw off water.
- Planters with a soil depth greater than fourteen inches must be supported with supplemental support that will properly distribute the weight.

- No plants will be allowed to grow onto any wall, fence or parapet.
- No plants will be allowed to grow out over the parapet.
- No plants will be allowed over eight feet in height.
- No planters will be allowed over 200 pounds with soil or 50 pounds without soil in weight.
- No planter may be attached to, rest on, or be suspended from any wall, parapet or fence.
- It shall be the responsibility of the shareholder to maintain all plant materials and containers in good condition and the drainage weep holes in operating condition. The cost of repairing any damage resulting from not adhering to these rules shall be paid for by the shareholder.

(b) **ROOF USE.** (HR1995-27; Added 5/31/89, Amended 6/04, 7/06; Clarified 2/08) The roof has been reserved for the quiet enjoyment of residents. This area may be used for sitting, walking and sun bathing. Outdoor furniture owned by the corporation is kept on the roof for the enjoyment of residents during the warmer months. Residents must observe the following rules when using the roof and are required to maintain a quiet demeanor at all times:

- Roof hours: 8 A.M. to 11 P.M.
- Soft-soled shoes must be worn.
- No alcohol is permitted on the roof deck.
- No glass containers or bottles. Plastic only.
- No broadcast music, use your headphones.
- No animals. Leashed or unleashed.
- Children under the age of 14 must be accompanied by an adult.
- Gatherings of no more than 8 persons per apartment.
- The Board restricts residents to no more than 2 guests per apartment for the Fourth of July fireworks or other events attracting shareholders building-wide, e.g. co-op sponsored parties or community-based, city, state or federal celebrations and/or parades.
- Clean up when leaving and remove all items brought to the roof.
- Dispose of cigarette butts in sand pails, not in planters, not on the roof deck floor and not over the deck wall.

(c) **VEHICLE PARKING.** (HR1995-17) No vehicle belonging to a shareholder or to a member of the family or guest, tenant, licensee or employee of a shareholder shall be parked in such manner as to impede or prevent ready access to any entrance of the building by another vehicle.

5. COMPANION ANIMAL RULES (DOGS, CATS, BIRDS.) (HR1995-15; Amended 5/06; Clarified 2/08)

- (a) **COMMUNITY RELATIONS.** The Vermeer has been and will remain a pet friendly building. To foster a constructive community relationship between pet owners and other residents, the Vermeer Companion Animal Etiquette booklet should be read in conjunction with this rule and is incorporated into the rules by reference. All complaints about pets should be addressed to the managing agent who shall refer them to the Board and Companion Animal Committee.
- (b) **CONDUCT.** Subject to the provisions of this rule, no bird or animal shall be kept or harbored in the building unless the same in each instance be expressly permitted in writing by the corporation; such permission shall be revocable by the corporation. In no event shall any animal be permitted in any of the public portions of the building unless carried or on a short leash.

In no event shall any animal be permitted to soil in public areas and hallways of the building, directly in front of the building entrance or in any tree pit surrounding the building. Companion Animal owners are responsible for cleaning up after their pets but also should notify building staff for follow up maintenance/cleaning if needed. No pigeons or other birds or animals shall be fed from the window sills, terraces, balconies, roof or in the yard, court spaces or other public portions of the building, or on the sidewalk or street adjacent to the building.

(c) **LIMITATIONS.** Residents may keep up to two dogs per apartment. While a two-dog maximum shall be the limit, residents may seek Board permission to keep additional dogs where there are special circumstances. Such applications are to be made in writing to the Board of Directors and will be determined at the discretion of the Board on a case by case basis. Residents with more than two dogs in occupancy as of May 1, 2006 may maintain the number of dogs they own as of this date. However, in the event a dog passes on, the number of dogs will be subject to the provisions of this rule.

(d) **TRANSPORTATION IN ELEVATORS AND OTHER PUBLIC AREAS.** (HR1995-28; Amended 9/12/05; 5/06; Clarified 2/08.)

(d-1) **DOGS.** Residents walking dogs should ensure that their animals do not annoy those who may dislike or fear dogs in the elevators, hallway and in other public areas of the building. Dogs must be on a short leash at all times in the elevators, hallways and other public areas. Residents transporting dogs in passenger elevators should take particular care that others are not disturbed by their animals, that their animals sit in the elevator and do not jump on other passengers.

(d-2) **CATS.** Cats are not permitted to roam the hallways or other public areas of the building. Cats (with or without their human companions) are not permitted to loiter in the hallways. Residents must use a carrier to transport cats in and out of the building.

(d-3) **DOGS IN DESIGNATED ELEVATORS.** Residents transporting larger dogs, dogs that are unruly or aggressive or three or more dogs are requested to ride in the service elevator unless unavailable, unless a dog is ill and cannot wait for the service elevator, or unless a passenger elevator on the ground floor is empty of all other passengers upon take-off. All other dogs may be taken in the passenger elevators provided they are carried or on a short leash.

(d-4) **DOG WALKERS.** Professional dog walkers are prohibited from bringing more than one non-resident dog into the building while picking up and returning resident dogs and are required to transport such dogs in the service elevator unless unavailable.

(d-5) **SERVICE ELEVATOR AVAILABILITY.** The service elevator may be deemed unavailable when being utilized for garbage collection, the transportation of luggage carts, contractor equipment, large delivery items, or, at the discretion of a dog owner, where another larger dog is already in or about to enter the service elevator.

When the service elevator is unavailable or a sick dog is being transported, owners or dog walkers may use the passenger elevator provided they have determined before entering that other elevator passengers are comfortable riding with their dogs, as set forth in the booklet on Companion Animal Etiquette.

6. MAINTENANCE RULES

- (a) **REFUSE DISPOSAL** (HR1995-12, Clarified 2/08). Garbage and refuse from the apartments shall be disposed of only at such times and in such manner as the superintendent/resident manager or the managing agent of the building may direct.

All residents, guests and household help are responsible for following garbage disposal rules as posted in the compactor room. These rules include the disposal of non-recyclable items down the compactor chute, washing out all recyclable and other items left in the compactor room, proper placement of recyclables in designated bins in the compactor room and compliance with needle disposal instructions. Large items to be disposed must be brought to the basement and left near the basement service elevator door; no large items may be left by service elevator doors on apartment floors.

- (b) **SERVICE COMPLAINTS AND REQUESTS.** (HR1995-21, Clarified 2/08). Complaints and requests regarding the service of the building shall be made in writing to the managing agent of the corporation, unless the managing agent designates in writing that such complaints be directed to the building's superintendent/resident manager or other individual. Consult the Concierge Desk for current procedures including work order forms to be filled out for non-emergencies and contact person for emergencies.

- (c) **ACCESS FOR VERMIN AND HEALTH HAZARD CONTROL** (HR1995-24; Amended 2/08). The agents of the corporation, and any contractor or workman authorized by the corporation, may enter any apartment at any reasonable hour of the day for the purpose of inspecting such apartment to ascertain whether measures are necessary or desirable to control or exterminate any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests. If the corporation takes measures to control or exterminate carpet beetles or bed bugs, the cost thereof shall be payable by the shareholder, as additional rent.

(c-1) **Bedbugs** (Amended 2/11). Shareholders are required to immediately report evidence of bedbugs to the superintendent or managing agent, follow the instructions of the managing agent on removal of bedbugs if identified in their apartments and cooperate with preventive maintenance inspections that may be conducted by the managing agent when requested.

Bedbug infestation is an emergency. The Board of Directors reserves the right to authorize entry to any apartment, without shareholder consent, where the shareholder has failed to provide contact numbers to be reached or does not respond to efforts to contact the shareholder at the numbers provided, in order to inspect for bedbugs and, where bedbugs have been found, to take immediate action to remedy the apartment's condition and prevent the spread to adjacent apartments.

The shareholder shall be responsible for the cost of preparing the apartment for treatment, for the treatment itself and the repair of any damage to the apartment's lock or entryway which may result from gaining access brought about by the failure to provide a key to the apartment as required in Section 7 (e) of the Rules.

7. ADMINISTRATIVE RULES

- (a) **APARTMENT INSURANCE.** (Adopted August, 2004) Every shareholder shall, at his or her own cost and expense, obtain and keep in full force and effect, comprehensive public liability and property damage insurance, against any and all claims for personal injury, death or property damage occurring in, upon, adjacent to or connected with shareholder's apartment, and comprehensive all risk property damage insurance, in respect of property damage occurring in, upon, adjacent to or connected with the apartment, including an endorsement for shareholder's improvements and betterments on a replacement cost basis.

- (b) **MOVES, DELIVERIES.** (Adopted 12/03; clarified 2/08). Move-Ins, Move-Outs and Deliveries may only be conducted in accordance with separate policy statement issued by the corporation that can be obtained at the Concierge Desk or from the managing agent. Consult the policy for requirements on scheduling, prior notice, deposits, insurance, fees and other details.

Moves are generally permitted Monday through Friday, 9:00 am – 5:00 pm, except holidays. Deliveries are generally permitted Monday through Saturday and holidays, 9:00 am – 8:00 pm, except that deliveries that must be made via the West 14th St. Service Entrance must be scheduled in advance. No deliveries, except for food and drug store deliveries, may take place on Sundays.

- (c) **ALTERATIONS, DECORATING.** (Clarified 2/08) Individual apartment alterations and decorating may only be conducted in accordance with separate policy statement issued by the corporation that can be obtained at the Concierge Desk or from the managing agent. Consult the policy for approval and specification requirements, scheduling, under what circumstances deposits, insurance and/or fees are required, and other details.

Alterations and designated decorating work must be approved by the managing agent prior to the commencement of any work and may only be conducted on days prescribed in the alteration or decorating agreement that must be signed by the managing agent prior to work commencement. Alteration and decorating agreements may be obtained from the managing agent.

- (d) **PRIVATE USE OF STAFF** (HR1995-14, Amended 2/08). No resident shall send any employee of the corporation out of the building on any private business. No staff may do private alteration or decorating work in shareholder's apartment during work hours.

- (e) **KEYS.** (Adopted 3/24/98; Amended 1/12/04; 2/08) – A copy of keys for all apartment front door locks must be furnished to the building for emergency use. Additional keys may be left with doorman for convenience use by the shareholder or resident, however, doing so will be at the sole risk of the person leaving said keys. The building assumes no responsibility for convenience keys left with the doorman for third party individuals.

If a resident fails to provide duplicate keys to management and an emergency entry is necessary, the resident assumes all responsibility for repair and replacement of any lock or entryway as may be necessary, as well as responsibility for any damage which may result from the delay in access brought about by such failure to deliver a key.

Subject to the provisions noted above, the building is only responsible for repairing or replacing the standard bottom building lock. The top lock, and any bottom lock replaced by the shareholder, is the shareholder's responsibility.

- (f) **OPEN HOUSES; IN-APARTMENT EXHIBITIONS OR SALES** (HR1995-19; AMENDED 8/13/87; 2/1/06; Clarified 2/1/08) No group tour or exhibition of any apartment or its contents shall be conducted, nor shall any sale of household goods or other merchandise be held in any apartment without the consent of the corporation or its managing agent.

If group or open houses are permitted, the shareholder or their agent or other representative must escort the prospective purchaser from the lobby to the apartment or anywhere else in the building back to the lobby. Consult the Concierge Desk for current detailed and scheduling open house rules.

- (g) **SALE, SUBLET, REFINANCING, TRANSFER OF SHARES, TRANSFER FEES, GUEST POLICIES, TRUST OR ESTATE OWNERSHIP.** (Clarified 2/08, Clarified and Amended 2/11) Sales, Sublets, Refinancings and Transfers of Shares must be approved by the corporation in accordance with policies established by the corporation that may be obtained from the managing agent. In accordance with the proprietary lease, all sales of apartments are subject to the payment of a transfer fee. Consult with the managing agent for current fees.

(g-1) **SUBLETS** (Adopted 7/96; Amended 2/08; Clarified 2/11) – In addition to the policies noted above, with regard to Sublets, with the approval of the board of directors, a resident shareholder who has demonstrated an intention to resume occupancy of the apartment in which he or she lives may be permitted to sublet that apartment for a continuous period of between one and three years, subject to the following terms and conditions.

- i. All tenants must submit a completed Vermeer Owners, Inc. housing application and be approved by the board of directors, subject to Section 3(a).
- ii. All approved tenants must comply with all Vermeer Owners, Inc. proprietary lease and house rules provisions. The shareholder will be held responsible for any lease or house rule violations engaged in by such tenants. Approved tenants seeking to sublet for more than one year will be granted approval for a one year lease with options to renew for a second and third year. These are subject to board approval conditioned upon the board's determination at the end of each one-year period that the tenant and shareholder have complied with all house rules.
- iii. The shareholder shall pay a sublet fee as determined by the Board of Directors in addition to monthly maintenance charges.
- iv. Shareholders are not permitted to sublet for as long as they own two or more un-adjointed apartments at the Vermeer, while in occupancy of any of such apartments. Shareholders' requests to sublet must provide documentation regarding the reason for the sublet, location of temporary residence during the sublet period and lease status of any other properties owned or rented within the City of New York during such period.

v. At the conclusion of a sublet, no further sublet application for that apartment will be entertained from the said shareholder for a period of three years.

In determining a shareholder's intent to reoccupy, the board will consider all relevant facts and circumstances, including whether or not the subject apartment has been recently offered for sale.

In addition, the board will entertain sublet applications when it deems that conditions of extreme hardship or other exigent circumstances exist.

(g-2) **GUESTS AND ROOMMATES.** (Clarified 2/08) Guests and Roommates are generally permitted to stay in an apartment provided that the shareholder is present, that such shareholder submits the appropriate authorization form available at the Concierge Desk for approval by the Board of Directors and that such guests and roommates comply with all Proprietary Lease and Vermeer House Rules provisions. The shareholder will be held responsible for any Lease and House Rule violations engaged in by guests and roommates. The corporation reserves the right to revoke the authorization granted herein for non-compliance with the Lease or Rules.

(g-3) **OWNERSHIP BY TRUST OR ESTATE.** (Amended 2/11)

i. The shares of an apartment may be transferred to a Trust upon approval of the Board of Directors, subject to the shareholder having owned and resided in the apartment for at least one year prior to applying for Board approval of such transfer, to the shareholder remaining the guarantor of the apartment's obligations to the Corporation and remaining in occupancy during such Trust ownership and to the Trust Agreement providing that the shares will be sold to a purchaser approved by the Board upon the decease of the shareholder.

ii. Upon the decease of a shareholder, the shareholder's estate must transfer ownership to a purchaser approved by the Board of Directors or other transferee permitted by the Proprietary Lease and subject to Section 3 (a) of the House Rules. All occupants in the apartment prior to such sale shall be subject to approval by the Board of Directors in a manner similar to that set forth in paragraph (g-1) of this section. Should the estate continue to own the shares for more than two years after the decease of the shareholder, the estate shall pay a monthly fee as follows in addition to monthly maintenance charges:

- 25% of monthly maintenance in the first year after the estate has held the shares for two years;
- 50% of monthly maintenance in the second year after the estate has held the shares for two years;
- 75% of monthly maintenance in the third year after the estate has held the shares for two years;
- 100% of monthly maintenance in the fourth and subsequent years after the estate has held the shares for two years.

For estates owning shares for more than two years after the decease of the shareholder as of the date of this amendment, the monthly fees shall commence with the additional 25% of monthly maintenance beginning in the first month after the amendment is adopted and increase each year thereafter according to the schedule above.

8. BREACH OF RULES. (Clarified 2/08) The Proprietary Lease provides that

- (a) all shareholders are subject to the House Rules, which are to be appended to the Lease,
- (b) when furnished with a copy of the lease and rules, the shareholder agrees to comply with the rules and see that they are faithfully observed by shareholder's family, roommates, guests, employees and tenants,
- (c) a breach of a House Rule shall be a default under the lease, and
- (d) the corporation shall not be responsible to the shareholder for the non-observance or violation of House Rules by any other shareholder or person.

Except for a breach in companion animal rules, that will be referred initially to a Companion Animal Committee of the Board as long as such committee is active, a breach of House Rules will result in a warning letter from the managing agent or Legal Counsel. Damages will be charged to cover any damage to public areas of the Vermeer caused by a shareholder, their guests or agents. Further breaches may result in the imposition of legal fees expended to seek compliance with a rule and/or the imposition of a damage deposit requirement and may result in revocation of the proprietary lease.

In the event the building receives a violation or fine as a result of the action or inaction of any shareholder or the failure of a shareholder to comply with local, state or federal rules, regulations or laws, the cost of such fines or removing such violations shall be borne by the shareholder.

9. RULE AMENDMENTS; APPROVALS REVOCABLE. (HR1995-22; 30) The Proprietary Lease provides that the Lease is subject to the House Rules and that the rules may be added to, amended or repealed at any time by resolution of the Board of Directors of the corporation. Any consent or approval given under the House Rules by the corporation shall be revocable at any time.