

ROYAL YORK OWNERS CORP.
HOUSE RULES
Revised – March 2008

1. GENERAL

These House Rules may be added to, amended or repealed at any time by resolution of the Board of Directors of the Lessor, as stipulated in the proprietary lease.

Any consent or approval given under the House Rules by the Lessor shall be revocable at any time.

The Lessee shall ensure that all of his guests, visitors, agents employees, deliverymen, trades people, etc. comply with the House Rules.

Pigeons or other birds, animals, rodents, etc. shall not be fed from window sills, terraces, courtyard, gardens or any other public or common area of the buildings or form or on the sidewalks or streets adjacent to the buildings.

2. EMERGENCIES

The Buildings' staffs are instructed to follow assigned procedures when advised of an emergency situation. These include bringing one elevator, in the wing involved, down to the Lobby level and holding same until the requested emergency personnel arrive.

In order to assist in providing the most rapid response to an emergency, it is suggested that the following procedures be used.

Medical Emergency

Call 911 – Then call Lobby to alert staff on duty.

Fire Emergency

Call 911 – Then call Lobby to advise staff on duty.

Building/ Other Emergency

Call Lobby to advise staff on duty.

Do not call Lobby for routine maintenance and repairs. Call the Resident Manager for these situations. (See Section 10 – Repairs and Maintenance).

3. FIRE SAFETY

The lessee shall comply with all legal requirements pertaining to fire safety including the fire safety sign which must be affixed to the apartment side of each individual apartment entry door.

As required by New York City regulations, you will be furnished with a copy of the then current Fire Safety Plan pertaining to the Buildings. A review of the latest plan is urged and the contents discussed with all members of the household.

Replacement fire safety signs are available from the Management Agent. As of this printing, a fee of \$100.00 will be levied for each replacement.

Fire Extinguishers -

Fire Extinguishers are located throughout the common areas of the building. If a fire extinguisher is used, notify the Resident Manager so that the unit can be recharged or replaced.

Apartment Smoke Detectors –

Smoke detectors shall be installed and maintained by the Lessee as required by the laws of New York City. These units shall be kept fully operable by the Lessee including replacing the batteries as recommended by the manufacturer but in no event not less than twice each year – usually the week following the seasonal clock changes.

Fire Stairs –

The fire stairs and their respective doors shall not be obstructed in any way. The Fire/emergency exit doors shall not be left open at any time other than an occasion that necessitates an evacuation.

4. SECURITY

No Lessee shall tamper with the Lessor's video monitoring or other security devices. All public areas of the Buildings including the primary and secondary entrances, lobbies, ground floor and basement areas are monitored by a CCTV System.

All agents, visitors, guests, trades people, etc. are to be announced and permission granted by the Lessee prior to the visitors etc. leaving the Lobby Area to travel to the Lessee's apartment.

When a large number of visitors are expected, the process can be expedited by furnishing a list of the names of the anticipated guests to the Lobby Staff.

The Intercom System shall be used only for announcing visitors or deliveries and for brief communication with the Lobby Staff.

If there will be no one in residence in a Lessee's apartment for a period in excess of three days, the Lessee shall notify the Resident Manager as to the departure and return dates.

The Lessee or any visitors or guests shall report to the Building Staff and/or the Resident Manager, at once, as to any suspicious person or activity in, or immediately adjacent to, the Buildings.

5. SAFETY

The public hallways and the fire stairs shall not be obstructed or used for any purpose other than ingress to or egress from the apartments and other areas of the Buildings.

The Fire Stairs are only to be used in the case of an emergency.

Only authorized members of the Building Staff and authorized outside personnel are allowed access to the roofs of the Buildings.

Children are not permitted to play in the lobbies, stairs, stairwells, corridors or garages of the Buildings.

The passage of bicycles or similar in and/or out of the Lobbies is prohibited. The Service Ramps are to be used for this purpose.

The use of roller skates, roller blades, skateboards, etc. in the Lobbies, corridors and other public areas of the Buildings is prohibited.

No Lessee shall use any of the public areas including hallways, corridors stairwells, elevators, laundry rooms, lobbies, courtyards and gardens as a play area.

6. OBSTRUCTIONS AND PROJECTIONS

No Lessee shall obstruct or leave objects of personal belongings in the public halls, stairwells, elevators, laundry rooms, the gardens or courtyards.

Such objects include but are not limited to shoes, umbrellas, doormats, baby strollers or similar, trash, bicycles, skateboards, rollerblades and roller skates.

No antenna, aerial, satellite dish or similar devices for receiving or transmitting radio, television or other electronic signals shall be hung, attached to or passed through any exterior wall or roof of the Buildings without the prior written approval of the Lessor or the Resident Manager.

No awnings, air conditioning units, ventilators, flower boxes, similar articles shall project out of the windows or through any exterior wall or through the roof of the Buildings without the prior written consent of the Lessor or the Resident Manager, nor shall articles of clothing, rags, towels, mats or similar articles hang or project out of the windows in or from any exterior surface of the Buildings. Further, no unsightly window coverings shall be placed on the interior or exterior of windows, including without limitation, newspapers, garbage bags or sheets.

7. NOTICES

No public hallways, doors, elevators, laundry rooms, stairs and basements shall be decorated or furnished in any manner except as commissioned by the Lessor or the Resident Manager.

No signs, notices, letters or advertisements shall be posted, inscribed or exposed on any windows, under or on any doors, public hallways, lobbies, stairwells or elevators unless written authorization has been given by the Lessor.

No public halls of the Buildings or apartment entrance doors shall be decorated or furnished by any Lessee in any manner without the prior written consent of all of the Lessees to whose apartments such hall serves as a means of ingress and egress and the prior written consent of the Lessor; in the event of a disagreement among such Lessees, the Lessor shall decide.

8. TERRACES

Lessees whose apartments have terraces are responsible for the upkeep and routine maintenance of these areas. The Lessee shall keep the terrace clean and free from snow, ice, leaves and other debris and shall maintain all screens of drain boxes in good condition. No carpet, rug or other article shall be hung or shaken from any terrace.

By law, the use of gas, charcoal and/or other forms of outdoor cooking grills are not permitted on terraces.

As terraces are open areas, residents are expected to observe courtesies towards their neighbors and keep noise on terraces to acceptable levels and within reasonable hours.

The Lessee shall immediately advise the Resident Manager of any problems identified on any terrace that might have an adverse effect on the Buildings or other apartments.

The parapets or Buildings' walls shall not be covered or otherwise decorated by the Lessee without the prior written approval of the Lessor. No fences, structures, lattices, flower boxes, plantings, equipment or other objects (other than small chairs and tables) shall be erected or installed on any terrace without the prior written approval of the Lessor. If approval is given, the cost of any such installations shall be borne by the Lessee and such installations shall be removed at the expense of the Lessee, if required by the Lessor.

If, pursuant hereto, approval is granted to any plantings on the terraces, such approval shall be deemed granted, without further specific statement, on the following conditions which shall also apply to gardens on the roofs over the garages.

All plants shall be contained in sturdy, light weight portable boxes constructed of fireproof wood, "glass crete" slow burning fiberglass, reinforced plastic or non-corroding metal with a minimum thickness of 16 gauge.

Fastening devices and reinforcing bands shall be brass or copper. The bottoms of all planters must be able to support the entire weight of the planters with their contents.

The size of each planter shall not exceed 18" in width, 24" in length and 18" in height or 24" in diameter.

There shall be at least 2 feet between adjacent planters to avoid concentrating weight in a small area. Each planter shall weight no more than 150 pounds, including plants and wet soil mixture with a maximum distributed load of 35 pounds per square foot including all plants and wet soil mixture. The total weight of all planters and plants shall not exceed three (3) pounds per square foot on the total terrace area, distributed over no more than thirty percent (30%) of the terrace area.

In order to keep within the total load limit of 35 pounds per square foot, the soil mixture shall consist of a premixed blend of sphagnum, peat moss, vermiculite, perlite and other horticultural ingredients depending upon the requirements of the plant material chose:

1/3 soil, 1/3 perlite and 1/3 peat moss would reduce the damp soil weight from 75 pounds per cubic foot to approximately 25 pounds per cubic foot.

All containers must have a layer of high density Styrofoam pellets at the bottom for drainage purposes. This layer must be uniform and fill at least one inch of the bottom of the container. Suitable drainage holes shall be provided in all boxes to drain excess water.

Planters shall be maintained over the life of the planters.

All planters shall be raised off of the surface by installing them on pressure treated wood dunnage beams, not less than 3" x 3" in cross section and extending not less than 3" beyond the ends of the planters. This is required in order to distribute the weight, to allow for drainage from the boxes and to allow airflow around the planters. The dunnage beams shall be installed so as not to cause or contribute to tripping hazards or blocking of drains.

All planters shall be at least 12" from the parapets of the building's walls or any protruding pipe or floor drain and shall not block windows, doors and any means of ingress or egress or the free flow of water to any drain.

Planters shall not be placed on the parapets, copings or windowsills. Planters shall not be hung from any parapet, copings, raised structures, wall, roof or Buildings' overhangs.

The penetration of any part of the Buildings' structures (walls, parapets, copings, etc.) for any purpose of support shall not be allowed.

Only tap water or clean clear water shall be used to water plants. No water additives, which may be deleterious to any of the Buildings' surfaces or components, may be used. Lessee shall remain fully responsible for any destructive effects upon the Buildings' components, whether due to any water additives or the use of water itself. In watering plantings, Lessee shall not spray water against walls, parapets, railings, windowsills or other components of the Buildings. Spraying shall be directed into planters. Ponding on the Buildings' decks or terraces shall be avoided.

The installation of irrigation and/or other automatic watering systems is prohibited.

Lessee shall be responsible to maintain, repair and/or replace the hose bib serving the terrace.

UNDER NO CONDITIONS SHALL TERRACES OR DECKS BE ALLOWED TO BE FLOODED.

Exterior fences on terraces, or elsewhere, may not be installed without the written permission of the Board of Directors or the Managing Agent. If approved, the installation of fences is subject to compliance with all codes and regulations and in particular to fire safety and wind load restrictions.

Sheds or shed like structures are not permitted without approval of the Board of Directors or the Managing Agent. If such approval is granted, the installation is subject to approval by the New York City Department of Buildings pursuant to an application for a permit. The Lessee must retain the services of a professional engineer or an architect, licensed to do work in the City of New York, at the Lessee's expense, to verify the strength of materials, fire ratings of materials, conformance with zoning requirements, resistance to wind loads, etc.

Lessees are required to keep terrace surfaces free from all debris and to keep the drains on each terrace free and clear of any debris, leaves, soil, snow, etc. so as to allow proper drainage of any water.

Lessees are prohibited from installing AstroTurf or carpet like coverings on the terrace pavements (floors), etc.

Terraces shall not be used for any storage of any items, and all use of terrace areas must be in accordance with the applicable codes and regulations of the City of New York.

It shall be the responsibility of the Lessee to maintain all containers and dunnage in good condition and to move containers or dunnage or other objects or property when requested in writing by the Lessor to do so for purposes of the repair, upkeep or maintenance of any part of the Buildings, or to comply with governmental regulations. If the Lessee shall fail to do so promptly following the Lessor's request, the same may be removed by the Lessor at the expense of the Lessee. Plantings, dunnage or other objects of property so removed are the responsibility of the Lessee to restore.

Patio umbrellas, lightweight articles of permanent nature, structures or articles weighing over 150 pounds or any article with a sharp or pointed base, shall not be placed on any terrace or balcony of the Buildings. Lightweight articles should be secured or taken in during windy conditions.

Any object installed or placed on a terrace surface shall be at the Lessee's exclusive risk. Damage or accident caused by wind, or windblown, fallen or

thrown objects from any terrace are singly and solely the responsibility of the Lessee who shall release, indemnify and hold Lessor harmless from against and with regard to any resulting claim, suit, action, proceeding, damage, or expense, including attorney fees, resulting there from.

Any electrical usage on a patio or terrace, temporary or permanent must be made in accordance with the requirements of the NYC Electrical Code.

9. REPAIRS AND MAINTENANCE

Lessor's Responsibility:

As set forth in the Proprietary Lease, the maintenance and/or repair of the Common Areas of the Buildings shall be the responsibility of the Lessor, unless such damage thereto was caused by the Lessee, in which case the cost thereof shall be borne by the Lessee.

The Lessor is responsible for windows, entrance doors and steam, water or other pipes/conduits within the walls.

Requests for Maintenance and or Repair:

Lessees shall contact the Resident Manager directly.

Sub-tenants of Lessees shall first call their Lessee.

Tenants of the Sponsor shall first call the Sponsor's Agent.

Extensive Repairs/Maintenance:

If the work involved with a repair and/or maintenance request is beyond the scope/ability of the Building's Staff, as determined by the Resident Manager, the Lessee shall comply with Section 10 - Decorating and Alterations.

Minor Work:

Work not deemed to be Decorating or Alterations, as determined by the Resident Manager, may be performed by members of the Staff acting as Independent Contractors, outside of their regular working hours.

Existing Conditions:

Replacing air conditioning sleeves is an alteration and is the responsibility of the Lessee.

10. DECORATING AND ALTERATIONS

General:

Decorating and/or alterations shall not be allowed without the prior written approval of the Managing Agent, the Resident Manager or the Board of Directors.

The Lessor shall not be responsible for the maintenance or repair of any item in the Buildings if damaged as a result of negligence, misuse or misconduct by the Lessee or his/her subtenant, agent, guest or licensee.

Definitions:

DECORATING is to be construed as cosmetic work limited to painting, wallpapering, changing devices and/or fixtures

Changes to electrical or plumbing as defined, is limited to changes on existing electrical outlets and circuitry and to changes on existing plumbing outlets and piping.

ALTERATIONS are to be construed as all work not included in decorating.

REPLACING AIRCONDITIONING SLEEVES is an alteration

WORK is to be construed as including labor, tools, material, insurance and all other services required to perform decorating or alterations.

Request for Approval:

Prior to the start of any decorating or alteration, the Lessee shall provide the Managing Agent, the Resident Manager or the Board of Directors with the written request of the work involved. The request shall include a brief description of the work.

Tenants of the Sponsor shall forward his/her request to the Sponsor's Managing Agent.

Determination of Work:

Upon receipt of the written request, a determination will be made, based on the description of the work in the application, as to the status of the work as an alteration or decoration. The decision of the Managing Agent, Resident Manager and/or the Board shall be final.

Agreements:

Following receipt of the decision regarding the status of the work, the Lessee shall complete either a DECORATION AGREEMENT or an ALTERATION AGREEMENT.

Copies of the referenced agreements are available for inspection in the Resident Manager's office.

Supplementary Instructions:

In addition to any requirements included in either the Decorating Agreement or Alteration Agreement, as applicable, the following shall apply:

One elevator in each wing of each Building will be designated by the Resident Manager as the Service Elevator

The Buildings' stairs are restricted to emergency use.

With the prior written approval of the Resident Manager, workmen may be allowed to enter the premises and/or work area to prepare for work only during the hours specified by the Resident Manager.

Preparation for work does not include transporting material or tools other than "hand tools".

The use of jackhammers is prohibited.

The immediate neighbors of the residence in which work is to be performed shall be provided with adequate advance written notice with regard to:

The time required for the work.

Noise implications.

Need to protect belongings.

All workmen including deliverymen shall be required to "sign in" and "sign out" on a daily basis or per delivery, as applicable.

All workmen and delivery men shall be required to wear such identification "badges" as may be required by the Resident Manager.

A request for a certificate of the Board of Fire Underwriters, upon the completion of the work, shall be considered, if required, as in addition to a Certificate of Electrical Inspection as issued by the City of New York for work which was required to be filed for electrical inspection.

All work shall be performed by contractors or individuals licensed to do work in the City of New York and all certificates of filing and/or inspection shall be furnished, as required, at the start of the work and/or at the completion of the work as applicable.

In addition to any stipulation in the Decorating or Alteration Agreements with regard to the control of refuse, dirt or dust, the following shall apply:

Carpeted hallways affected by the work shall be protected, and is subject to the approval of the Resident Manager, by utilizing particleboards. At the end of each workday, the particleboards shall be cleaned, removed and stored in the subject apartment.

Storage of any debris or construction material at the sides of the Buildings shall not be permitted.

At the end of each workday, there shall be no evidence of debris or the storage of construction material in the public areas or on the sidewalks or sides of the Buildings.

The public areas and elevators of the Buildings shall be vacuumed and left clean at the end of each workday as approved by the Resident Manager. This shall also apply to compactor rooms and trash areas.

The Buildings' staff shall not be used for the purpose of removing debris or cleaning areas effected by the work.

In addition to any other stipulation in the Decorating or Alteration Agreements with regard to damages the following shall apply:

Lessees will be assessed for any damage, cost or other expense incurred by the Lessor resulting from work done by the Lessee or on the Lessee's behalf.

The assessment shall apply to all repairs and/or cleaning in any public area including entrances, elevators, hallways, carpets, walls, ceilings, light fixtures, ornaments, etc.

If, as a result of decorating or performing an alteration, the requirements for electrical power/light exceeds the capacity of the electrical feeder then serving the Lessee's apartment, the Lessee shall be responsible for all of the costs incurred by any reason of providing additional electrical capacity to the Lessee's apartment.

When carpeting is removed because of alterations, decorating or cleaning, re-inspection is required to insure that the current installation meets the requirements of the House Rules.

Any change in the electrical feeder requirements to the Lessee's apartment shall be made in strict accordance with the "Master Plan for Apartment Electrical Feeder Replacement". A copy of the referenced plan is on file in the Resident Manager's office.

The above costs shall include expenses incurred by the Lessor in increasing a Building's main electrical service as a result of any feeder change resulting from the lessee's alteration.

11. BUILDING EMPLOYEES

No Lessee shall send any employee of the Lessor out of the Buildings on any private business of the Lessee.

12. VEHICLES

No vehicle belonging to a Lessee or to a member of the Lessee's family or guest, subtenant or employee of a Lessee shall be parked in such manner as to impede or prevent ready access to any entrance of a Building by another vehicle.

In the event of snow, no referenced vehicle shall be parked within 20 feet of the entrance of any of the Buildings to allow for snow removal.

13. SALES - SUBLETS - REFINANCING

SALES:

Lessees wishing to sell their shares allocated to their apartments must contact the Managing Agent for the procedures, documents and necessary information required by the Lessor and/or the Managing Agent.

SUBLETS: (See section 23 - Carpeting)

Requests by Lessees for subletting must be made in writing to the Lessor in care of the Managing Agent prior to their commencing the process to consider potential sub-tenants.

The Lessee shall pay the Managing Agent a Subletting Processing Fee as designated in the sublet application. This fee must be paid in full and submitted with the applicant's sublet package.

Any subtenant approved by the Lessor shall abide by all rules and regulations of the Buildings, the Managing Agent. All sublease agreements shall contain a provision confirming the foregoing.

Responsibility for the conduct and any other aspect of a subtenant's activity in or relating to the Buildings rests with the Lessee. The Lessor will hold the Lessee responsible for any and all legal actions, costs, damages, and etc. caused by the Lessee's subtenant, guests, visitors agents and/or any employees.

14. MOVE IN/OUT POLICY

General:

As directed by the Resident Manager, protection shall be placed in public areas affected by a move in/out.

Under no circumstance shall a move in/out start after 3:00 pm unless approved by the Resident Manager.

Shareholders are legally and financially responsible for compliance by their subtenants move in/out actions.

Moves may only take place Monday through Friday between the hours of 9:00 am and 5:00 pm, excluding legal holidays.

Moves must be scheduled in advance with the Resident Manager.

To ensure that Lessee's possessions will fit inside the building's elevator, Lessee shall obtain the measurements thereof prior to scheduling the move, in order to prevent moving delays

Delays to Move In/Out:

In the case of an unforeseen event(s) that results in the completion of a move extending past 5:00 pm there will be a charge to the resident for the overtime costs incurred by the Lessor for providing the services of the Building's Staff as required by the move.

15. DELIVERIES

This section is concerned with the delivery of large items.

Definition:

Large items are defined, in general, subject to a final decision by the Resident Manager as an object requiring more than one person to carry same or requiring the use of a hand truck or "dolly".

Examples of large items are refrigerators, furniture (large and small), mattresses, trunks, etc.

Restrictions:

Other than for the requirements for advance scheduling, insurance, deposits, starting after 3:00 pm and delays as stated in Section 14 Moves In/Out, the requirements of this Section are the same as in Section 14.

16. LAUNDRY ROOMS

The Laundry Rooms are located in the basements of the Buildings. These are available for the use of all resident Lessees and sub-tenants and their domestic employees. The use by visitors and/or guests is not allowed.

The use of the equipment in the Laundry Rooms is on a first come, first served basis. Reserving or monopolizing the equipment is prohibited.

The Laundry Rooms are available for use every day between the hours of 6:00 am and 10:00 pm.

All users shall be present at the completion of the wash and/or dry cycles.

The rolling laundry baskets may not be removed from the Laundry Rooms.

Care must be taken not to overload or otherwise abuse the machines. Defective machines shall be brought to the attention of the Resident Manager.

If money is lost, the Resident Manager shall be contacted for advice as to recovery.

Dryer filter debris and all trash shall be discarded in the trash receptacles provided in the Laundry Rooms.

The Lessor shall have the right from time to time to curtail the use of the Laundry Rooms or to relocate them.

The Lessor assumes no liability for the use of the Laundry Rooms.

17. STORAGE ROOMS

There are storage rooms in the basements of each of the Buildings.

The Lessor shall have the right to curtail the use of the Storage Rooms.

The Lessor assumes no liability for the use of the Storage Rooms.

No flammable material, as defined by the New York City Fire Department, shall be stored in the Buildings' Storage Rooms.

18. PACKAGES

All small packages, laundry, dry cleaning, etc. will be held for pick up by the Buildings' residents in storage areas or rooms adjacent to or near the Lobby of each Building.

A daily Log will be maintained by the Lobby Staffs, of packages received, held and/or picked up.

Written notice of receipt will be posted to the attention of the intended recipient. After two days, any unclaimed item in the storage areas indicated above will be moved to a storage room in the basement.

The Lessor is not responsible for the safety or condition of any item received and stored by the Lessor's employees on behalf of the residents.

19. PETS

The Lessor has a no-pet policy, which applies to residents, guests and visitors of either of the Buildings. Pets of residents, guests and visitors are not permitted

on the premises of either of the Buildings, which also includes the Courtyards, Gardens or the immediate areas in front of each of the Buildings.

Lessee and/or residents shall be responsible for any Damage (as defined in this section below) to the Buildings, Courtyards, Gardens and immediate areas in front of each of the Buildings caused by his/her pets as well as pets of visitors or guests of the Buildings.

Notwithstanding any terms to the contrary contained herein, pets that have been domiciled in the Buildings prior to May 6, 1999 shall be considered an exception to this rule, "grand-fathered." Upon the death of a "grand-fathered" pet a replacement pet shall not be allowed.

The following rules shall apply to those pets that are permitted to be housed in the Buildings:

- (i) All pets shall be licensed as required by the laws and regulations of the City of New York and the State of New York.
- (ii) No pet shall be housed in violation of the laws and regulations of the City of New York and the State of New York.
- (iii) Pets are not permitted egress or ingress through Lobbies Monday thru Friday, Holidays, excepted, during the hours of 7:00 am to 9:00 am and 4:00 pm to 7:00 pm.
- (iv) During the referenced restricted hours, pets shall be taken through the basement service entrances.
- (v) Pets are not permitted in the Courtyards or Gardens, except for passage between Buildings.
- (vi) Lessees shall be responsible for any damage caused by their pets to any portion of the Buildings, the immediate areas in front of the Buildings, the Courtyards and Gardens. "Damage" shall include, but is not limited to, problems of a sanitary nature as well as any other damage of structural or other nature.
- (vii) Residents whose pets use litter boxes shall not discard the contents of the litter boxes into the Buildings' plumbing systems. The contents of litter boxes shall be placed in sealed refuse bags before disposal into the compactor chutes.

(viii) Pets that cause disturbances or have been found to be a safety hazard will not be allowed to remain in the residence. Removal of a pet shall rescind any "grand-fathering" protection as to residency.

20. INSURANCE INFORMATION

The Lessor's insurance covers the structure but not the contents of the Lessees' apartments. All claims for damage to the Lessees' apartments or their contents including personal belongings, furnishings, appliances or fixtures must be submitted to the Lessees' own insurance carrier(s).

Lessee shall, at his/her sole cost, obtain and keep in full force and effect throughout the term of this lease (i) comprehensive general liability and property damage insurance, with a minimum limit of liability of \$300,000.00 for injury or death and damages to any one person, \$300,000.00 for injury or death arising out of one occurrence, and \$100,000.00 for damage to property, against any and all claims for personal injury, death, or property damage (including, without limitation, loss due to water damage) occurring in, upon, adjacent to or connected with the apartment or any part thereof, and (ii) comprehensive all risk property damage insurance, with minimum limit of liability of \$100,000.00 in respect of property damage occurring in, upon, adjacent to or connected with the apartment or any part thereof (including, without limitation, loss due to water damage), such insurance to include an endorsement for tenant's improvements and betterment on a replacement cost basis.

Within ten (10) days after written request by the Lessor, the Lessee shall deliver to the Lessor either a duplicate original of the afore-described policies or certificates evidencing such insurance. Such policies shall contain a provision that no act, omission or negligence of the Lessee, its contractors, licensees, agents, servants, employees, invitees or visitors will affect or limit the obligation of the insurance company to pay the amount of any loss sustained and such policy shall be non-cancelable except upon thirty (30) days prior written notice to the Lessor.

In the event the Lessee shall fail to obtain the insurance required in (i) and (ii) above, and/or pay all premiums and charges therefor, the Lessor may, but shall not be obligated to, obtain the same, in which event the amount of the premiums paid by the Lessor shall be paid by the Lessee to the Lessor upon demand as additional rent. The failure of the Lessee to obtain and maintain, throughout the term of this lease, the insurance required in (i) and (ii) above, shall be a substantial default under the lease.

The Lessor and the Lessee agree to use best efforts to include in each of its policies insuring against property damage a waiver of the insurer's right of

subrogation against the other party. If such waiver shall not be, or shall cease to be, obtainable without additional charge, the Lessee shall promptly notify the Lessor. In such case, if the Lessor shall so elect and shall pay the insurer's additional charge therefor, such waiver shall be included in the policy. Each party hereby releases the other party with respect to any claim (including a claim for negligence) which it might otherwise have against the other party for loss, damage or destruction with respect to its property occurring during the term of this lease to the extent to which the same party is insured under a policy containing a waiver of subrogation. If, notwithstanding the recovery of insurance proceeds by either party for loss, damage or destruction of its property, the other party is liable to the first party with respect thereto or is obligated under this lease to make replacement, repair or restoration, then provided the first party's right of full recovery under its insurance policies is not thereby prejudiced or otherwise adversely affected, the amount of the net proceeds of the first party's insurance against such loss, damage or destruction shall be off-set against the second party's liability to the first party therefor or shall be made available to the second party to pay for the replacement, repair or restoration, as the case may be. The waiver of subrogation, if obtainable, referred to above shall extend to the agents and employees of the Lessor and all permitted occupants of the apartment. Nothing contained in this section shall be deemed to relieve either party from any duty imposed elsewhere in this lease to repair, restore or rebuild.

21. COMPACTOR ROOMS - TRASH DISPOSAL

All refuse from a Lessee's apartment shall be disposed of by utilizing the compactor rooms in accordance with the following instructions.

Items which do not fit through the compactor chute door, or are larger than the capacity of any storage container in the compactor room, are to be brought down to the basement and placed in the temporary waste area in front of each basement elevator door. These items will be further disposed of by the Buildings' staff.

All other items are to be disposed of, in the compactor room in accordance with the latest requirements of New York City as posted in the Compactor Rooms.

Refuse required to go down the compactor chute shall be placed in plastic bags and securely tied to prevent leakage.

Vacuum cleaner bags and similar direct, dust, etc. shall be placed in a bag or package and securely wrapped and placed on the compactor rooms' floor for disposal by the Building's staff.

Hypodermic needles shall be disposed of in an approved medical waste container by a medical waste disposal company and not discarded in the compactor chute.

Under no circumstance should carpet sweepings containing naphthalene, camphor balls or flakes, floor scrapings, oil soaked rags, batteries, empty propane gas canisters, empty paint or aerosol cans, flammable, explosive or highly combustible substances, lighted cigar or cigarette stubs be placed into compactor chutes.

The Building Staff shall be immediately notified of any moist refuse on any compactor room floor.

22. NOISE DISTURBANCES

No lessee shall make or permit any disturbing noise in the Buildings at any time or do or permit anything to be done there-in which will interfere with rights, comfort or convenience of other Lessees or permitted occupants.

Radios, televisions stereos, electronic games or any sound producing device shall not be played at a volume which can be heard through the walls, floors, ceilings or hallways of neighboring apartments.

The playing of musical instruments shall be limited to the hours between 9:00 am and 8:00 pm.

In the event a Lessee is disturbed by any noise or sound emanating from a neighboring apartment the Lobby Staff should be informed. The staff shall contact the resident involved to inform him/her that the sound is disturbing a neighbor.

The reported event(s) will be logged in the Lobby diary.

23. CARPETING REQUIREMENTS

Unless expressly authorized in writing to the contrary by the Lessor in each case, the floor(s) of each apartment must be covered with rugs, carpeting or equally effective noise-reducing material to at least 80% of the open floor area of each room excepting kitchens, bathrooms, and closets.

In determining the extent of the open area of each room, square footage credit will be given, on an individual basis, for the area(s) covered by large pieces of furniture etc. that prevent the passage of traffic.

Wall to wall carpeting shall be laid over a layer of 40 ounce per square yard of Ozite, or equal, carpet padding such as felt carpet cushion by Foamex Carpet Cushion, Inc. "Diplomat40".

Area rugs shall be laid over a layer of 40 ounce per square yard of padding with non-slip backing, such as "Persian Dream" or the equivalent.

Samples of acceptable types of padding are available in the Resident Manager's office.

All other forms of approved floor covering shall be laid over plywood or such type of material as may be in each case specifically approved by the Lessor in writing.

In the event of a sublet, the required rugs, carpeting or other approved floor covering must be installed within 30 days of occupancy by the subtenant.

24. AIR CONDITIONERS - VENTILATORS - AWNINGS

Air Conditioners:

The installation of window air conditioners is not allowed.

If the existing sleeve has to be modified to accommodate a new unit, the Resident Manager shall be consulted, as this may constitute an alteration.

Ventilators:

The installation of ventilators through any building surface is not allowed.

Awnings:

The installation of awnings is not allowed.

25. BICYCLES - BABY CARRIAGES - ETC.

The designated service elevator when in use, shall be used to transport velocipedes, bicycles, scooters or similar vehicles. Baby carriages and the above mentioned vehicles shall not be allowed to stand (be stored) in the public halls, passageways, gardens, courtyards or any common area of the Buildings.

26. MESSENGERS - DELIVERYMEN - TRADESMEN

Messengers, deliverymen and tradesmen shall only use such means of ingress and egress as shall be designated by the Lessor.

27. LUGGAGE RACKS

Mobile luggage racks are available in the Lobby Areas of the Buildings for the use of the doormen and Lessees and the Lessees' guest and sub-tenants.

The mobile racks are to be used solely for carrying luggage and other hand carried items in to and out of the Buildings. After use, the mobile racks are to be immediately returned to the doormen in the Lobby Areas.

28. PUBLIC SALES AND EXHIBITIONS

No public sale, group tour or exhibition of any apartment or its contents shall be conducted, nor any other public access sale be held in any apartment without the prior written consent of the Lessor or Managing Agent.

All prospective purchasers or sub-tenants shall be escorted to and from the apartment by a recognized broker or shareholder.

29. EXTERMINATING

The Buildings have a monthly exterminating program.

In the event that a Lessee or sub-tenant requires exterminating service for his/her apartment, the Resident Manager should be notified.

The agents of the Lessor, and any other contractor or workmen authorized by the Lessor, 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, rodents, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate such pests. If the Lessor takes measure to control or exterminate carpet beetles, the cost thereof shall be payable to the Lessor as additional maintenance.

30. WINDOWS

The Lessee shall keep the windows of his/her apartment clean.

In case of the refusal or neglect of the Lessee following 10 days written notice from the Lessor or Managing Agent to clean the windows, such cleaning may be done by the Lessor which shall have the right, by its officers or authorized agents, to enter the apartment for such purpose and to charge the cost of such cleaning to the Lessee as additional maintenance.

31. COMPLAINTS

Complaints regarding noises or services of the Buildings shall be made to the Resident Manager or Managing Agent.

32. GARAGES

Lessee shall comply with all Rules and Regulations of the Lessor and/or the owner/operator of the garages and the driveways thereto.

33. WINDOW GUARDS

Under Section 131.15 of the New York City Health Code, window guards are required to be installed in apartments where children under the age of 10 reside.

34. CLOTHES WASHING MACHINES AND DRYERS

Effective May 1, 2004, washing machines and dryers individually or collectively "Laundry Equipment" shall be prohibited in the Buildings except for Laundry Equipment (a) installed by a lessee prior to such effective date, or (b) contained within the Laundry Room located in the Buildings' basement and owned by the laundry concession.

35. AWNINGS

The installation of awnings is not allowed without Board approval. The basic requirements for awning installations at The Royal York, 425 East 63rd Street and 420 East 640 Street are:

1. An Alteration Agreement will be required prior to any installation being performed.
2. A work permit will be required for the installation as all awnings are considered to be an appurtenance. The awning manufacturer/installer shall be required to obtain all requisite governmental approvals.
3. A drawing or sketch of the awning will be required for review. This shall include the proper installation details for anchoring into the brick façade. Mounting details and/or fastener specifications shall be included in the submission. There shall be no anchors permitted on horizontal surfaces including but not limited to coping stones, terrace pavers, quarry tile, etc.
4. All awnings shall be of a retractable design.
5. They shall be equipped with wind sensors that will cause them to retract automatically under severe conditions.
6. Samples of the awning fabric must be submitted for Board approval. Their color shall be the same as that approved by the Board of Directors.

7. The awning shall be located so that the edge of the awning is no closer than five (5) feet to the edge of any outside building corner. They may be flush with an inside corner.
8. The horizontal projection of the awning shall be such that the drip edge of the eave at the low point of the awning will not allow water to cascade down the building façade elevation from the terrace level. The edge of the awning shall therefore be inboard of the inside face of the parapet so that all water is collected within the terrace area.
9. An "approved" building vendor must do the installation