

APPENDIX A

HOUSE RULES

1. Lawns shall not be used as playgrounds or for any other purpose that may impair the appearance or increase the cost of maintenance. Children's pools may be utilized provided that the water is emptied daily by 8:00 P.M. and pool placed upright at side of building in order to preserve the grass.

2. No fences, railings, or patios shall be erected, or trees, shrubs, or hedges be planted without prior written permission from the Housing Company. Vegetable gardens may be planted in the rear areas only. The Board of Directors reserves the right to limit the planting area and to set other conditions as it may deem appropriate. All vegetable garden areas must be cleared of vines, stakes, etc., by November 30th of each year.

3. Garbage and rubbish shall be placed in containers at places and times designated by the Housing Company. Garbage stations shall be used for that purpose only. The Housing Company reserves the right to limit or stipulate what items or articles may be placed, deposited or discarded in said containers or stations. No children under the age of thirteen (13) years shall be permitted to dispose of any garbage. Smoking is prohibited in said areas.

4. Litter baskets shall be used for the disposal of small objects. EXAMPLE: Candy, ice cream, and gum wrappers, etc. At no time shall household garbage be placed in said baskets.

5. No sign, signal, aerial, antenna, advertisement, or illumination shall be inscribed or exposed on or at any window or other part of the building, except such as shall be approved in writing by the Housing Company; neither shall anything be placed upon or projected out of any window or upon the roof of the building in which the demised premises is located without such consent. Nothing shall be placed on any window sills or ledges.

6. No awnings, window guards, lighting fixtures or similar attachments shall be installed or erected on the exterior except where prior written approval is given by the Housing Company.

7. NO LESSEE SHALL MAKE OR PERMIT ANY DISTURBING NOISES IN THE APARTMENT OR DO OR PERMIT ANYTHING TO BE DONE THEREIN WHICH WILL INTERFERE WITH THE RIGHTS, COMFORTS OR CONVENIENCE OF OTHER LESSEES. No Lessee shall play upon or suffer to be played upon any musical instrument or permit to be

operated a phonograph, radio, television or similar in his or her apartment between the hours of 11 P.M. and the following 8 A.M., if same shall disturb or annoy other occupants of the building and in no event shall practice or suffer to be practiced either vocal or instrumental music for more than two hours in any day or between the hours of 8:00 P.M. and the following 8:00 A.M. **PLAYING OF BANDS IS STRICTLY PROHIBITED.** Bands is defined as two or more musical instruments. Violation of this Regulation is a substantial obligation of tenancy. Violators are subject to eviction pursuant to applicable provisions of the Lease.

8. No Lessee shall install or permit to be installed, maintain, use or store, any washing machines or dishwasher in any apartment which requires said machines to be affixed to the floors, walls or other portions of the building in any fashion, or which requires plumbing alterations, installations or changes for the use of said machine, or which contains a water measuring or shut-off device, provided, however, such installation, maintenance, or use or storage may be made upon the prior written permission from the Housing Company under such terms and conditions as the Housing Company may in its sole discretion designate.

9. Air Conditioning appliances may be installed and used only upon:

(a) Signing by the Lessee of an agreement setting forth the terms of the installation and terms of use, such agreement to be procured from the Housing Company.

(b) Wiring of the apartment by the Lessee in accordance with the Building Code and other laws, codes and regulations.

10. The following items cannot be stored in any store room and will be removed without notice:

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| (a) Mattresses | (f) Carpets and carpet mats |
| (b) Tires | (g) Paint, Paint solvent and flammable liquids |
| (c) Linoleum | (h) Outboard motors and gasoline cans |
| (d) TV Tubes | (i) Refrigerators and Ranges |
| (e) Scrap Lumber | (j) Clothing (except in solid sealed containers) |

(k) Books and magazines (except in solid sealed containers)

(l) Any upholstered or other item which is harboring or likely to harbor insects or vermin.

(m) Any item covering more than one storage space or blocking aisles, or access to other storage space.

(n) SMOKING IN ANY STORE ROOM IS PROHIBITED.

11. (a) All items placed in storage room must be tagged legibly with the name, building number, and address of the owner.

(b) The Housing Company shall have the right from time to time to curtail or relocate any space devoted to storage.

12. No ball playing with hard balls, baseballs, so-called indoor soft-balls, foot balls, bats or sticks will be permitted, on or within the boundaries of the development.

13. Lessees and families, friends, visitors and servants are forbidden to hang, shake, drape or sweep anything out of windows or doors or into halls or stairways or on the outside areas in any manner.

14. The Housing Company shall not be responsible for any article delivered to or left with any employee by or for delivery to the Lessee.

15. No modification, alteration, or addition to the water, gas or steam pipes, electric circuits, or plumbing shall be made without prior written approval of the Housing Company.

16. Lessee shall not alter or replace or add locks upon any door except in strict conformity with this Regulation. If Lessee shall alter or replace existing locks, or add locks, the Housing Company shall have the right to enter the Apartment by breaking the lock or locks and/or door, in the event of emergency (as determined in the sole discretion of the Housing Company,) and the Lessee shall pay the total cost of restoration as additional maintenance at the first of the following month. In the event that the Housing Company shall require admission for other than emergency purposes, the Housing Company shall give the Lessee 24-hour notice, and if the Lessee shall fail to provide access to the Apartment, the Housing Company shall likewise have the right to enter and with the same consequences as set forth above for emergency situations. Prior to the alteration, replacement or addition of locks on outside doors whose vestibule leads to two apartments, written agreement approving such change must be obtained from both Lessees concerned and submitted to the Housing

Company. In all other cases written notice of any such changes shall be submitted to the Housing Company promptly upon such action by the Lessee.

17. The entrances shall not be obstructed nor used for any other purposes than for ingress to, and egress from the apartments.

18. On all exterior fixtures the maximum bulb size shall not exceed 60 watts.

19. Lessees shall not require, permit, suffer or allow any window in the leased premises to be cleaned from the outside in violation of any present or future law governing same.

20. Lessees, their families, friends, visitors and servants shall not be permitted on the roof of any building.

21. No Lessee, nor any of Lessee's family, servants, agents, visitors or licensees, shall at any time enter, or intrude into, any portion of any building owned by the Housing Company (including, but not limited to, boiler room, garages, storage rooms, utility rooms, spaces designed and used solely for plant operations, and roofs), other than the premises herein demised, except upon the express license or permission of the Housing Company (or, if such portion be an apartment occupied by another Lessee under a lease similar in form hereto of such Lessee).

22. The laundry and drying rooms and the equipment therein shall be used in such manner and at such time as the Housing Company may direct.

23. Playgrounds and the equipment therein shall be used in such manner and at a time not to exceed 9:00 P.M. as the Housing Company may direct.

24. The storage of gasoline and/or any other flammable liquid and/or any compressed hazardous material gas in garages or other areas is prohibited.

25. The designated parking areas shall be used solely by currently licensed passenger vehicles owned or leased by Lessees or their family, permanently residing in Bell Park Gardens, and for no other vehicles. The Housing Company reserves the right to remove any vehicles (at the Lessee's expense) when parked in violation of this regulation or any vehicles which, because of inoperable condition or otherwise, may constitute a hazard or menace. The exercise of this remedy shall in no way be deemed to waive any other rights or remedies available. The Housing Company is not responsible for any theft of or any damage incurred to any vehicle or any liability

incurred while parked on premises, or being removed from same premises. The following conditions shall apply:

(a) Parking stickers and identification will be issued to residents duly registering their passenger vehicles with the Management Office.

(b) Only cars bearing authorized Bell Park Stickers and Identification Tags will be permitted to park in designated parking areas.

(c) Signs will be prominently displayed at all entrances to parking areas indicating that these are restricted areas, and that all trespassers will be prosecuted to the full extent of the law.

(d) Dead storage of vehicles is prohibited.

(e) Parking of Commercial vehicles is prohibited, unless said vehicle is a passenger automobile or station wagon, and then only upon prior written approval from the Board of Directors.

(f) PARKING IN A FIRE ZONE IS STRICTLY PROHIBITED.

(g) Vehicles must be parked in designated spaces between painted lines.

(h) Resident violators will be subject to an Administrative Charge; and repeated violators, in addition to having their license to park upon Housing Company grounds revoked, will be referred to legal counsel for appropriate action.

(i) Non-resident violators may be duly warned and will be subject to legal action and towing at the owners expense.

(j) Any other additional Rules and Regulations which the Board of Directors may, from time to time, promulgate and establish.

26. The use of driveways as a play area for automobiles is strictly prohibited (this includes racing, practice driving, or the gathering of cars for any other purpose than simply parking them). A maximum speed of 10 miles per hour must be observed in all driveways. All vehicles must observe the posted signs or other directional signs as deemed necessary by the Housing Company. The Housing Company reserves the right to revoke the on-grounds driving privileges of any Lessee-Shareholder, at any time, for any violation of this paragraph. The exercise of this remedy shall in no way be deemed to waive any other rights or remedies.

27. The driving of any non-licensed gasoline driven vehicle on Housing Company's property is **STRICTLY PROHIBITED** unless specifically authorized by the Housing Company. This includes mini-bikes, motor driven bicycles and motor driven go-carts, etc. Violators' names will be turned over to the proper authorities. Nothing herein contained shall be construed to limit or otherwise curtail the use of a battery powered wheelchair, and other similar motive vehicles, operated by a handicapped person.

28. THE USE AND DISPLAY OF ANY FORM OF FIREWORKS IS STRICTLY PROHIBITED.

29. No cats, dogs, or other pets, except fish and caged birds, shall be kept or harbored in the demised premises. Lessees who have visitors with dogs shall not permit said dogs to remain overnight in the demised premises or upon Housing Company grounds after dark. At all times, said visitor's dogs shall be effectively restrained by a lease or chain, the length of which shall not exceed 6 feet, during the time of the visit. The feeding of squirrels, birds, and stray animals, etc., on Housing Company property is prohibited in order to prevent and alleviate a possible health and safety hazard. This Rule is a substantial and material obligation of this tenancy and any breach hereof shall be considered a material and substantial violation under this Lease. Violators are subject to eviction pursuant to the terms of the Lease.

30. Lessees shall exercise the control necessary over their children to prevent such children's play as is objectionable to other Lessees, to prevent destruction of property and to prevent violations by the children of any Rules and Regulations of the Housing Company. In the event that children shall destroy any Housing Company property, parents shall be financially responsible to the Housing Company for the costs of repair or replacement, and Lessee shall pay the total cost as additional maintenance at the first of the following month.

31. The Housing Company reserves the right to change any Rule and/or Regulation by rescinding or amending, or to make such other Rules and Regulations as are deemed necessary to provide for the comfort and convenience of all Lessees and for the safety, care, proper maintenance and cleanliness of the premises.

32. THE POSSESSION AND/OR USE OF PROPANE CYLINDERS FOR BARBEQUES ON HOUSING COMPANY PREMISES IS STRICTLY PROHIBITED. A violation of this Rule shall be considered a material and substantial breach of the lease.

33. No group tour or exhibition of any apartment or its contents shall be conducted, nor shall any auction or garage sale be held in any apartment or on the premises without the prior written consent of the Housing Company.

34. No employee of the Housing Company may be used or employed by any Lessee for any personal purpose during the employee's regular working hours.

35. Any consent or approval given under these House Rules by the Housing Company shall be revocable at any time.

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

37. By signing this Lease, Lessees have agreed to obey all of the House Rules. Continuous or repeated violations of one or more of said Rules may, at the option of the Housing Company, be deemed to be a material and substantial breach of the terms and conditions of the Lease and allow the Housing Company to terminate the Lease in accordance with the provisions therein. Notwithstanding the Housing Company's right to terminate this Lease, the Board of Directors of the Housing Company may assess a reasonable charge, which charge shall constitute and be collectible as additional rent under the Lease, upon the Lessee for any breach of any of the House Rules or any other provisions of this Lease by the Lessee or by any of the Lessee's family, servants, employees, agents, visitors or licensees, in order to reimburse the Housing Company for its added costs resulting from such breach.

Sale during third calendar year	Seven percent (7%) of the purchase price
Sale during fourth calendar year	Seven percent (7%) of the purchase price
Sale during fifth calendar year	Six percent (6%) of the purchase price
Sale during sixth calendar year or any year thereafter	Three percent (3%) of the purchase price

The Board of Directors may increase but not decrease the percentage of the transfer levy with consent and approval of a majority of the shareholders in order to promote the financial stability of the cooperative corporation. Intervivos and testamentary transfers of the corporate stock and proprietary lease between spouses, children and grandchildren would be exempt from the re-sale tax.

(d) One Time Contribution by Purchaser.

In addition to the re-sale levy imposed on the seller, each purchaser of the apartment corporation's stock and proprietary lease shall, as a condition to securing approval of such transfer, make a one-time contribution to the apartment corporation reserve fund equal to an amount which would be three (3) times the current monthly maintenance as allocated to the apartment being conveyed. This contribution shall be made at the closing and is non-refund-able. Intervivos and testamentary transfers of the corporate stock and proprietary lease between spouses, children and grandchildren would be exempt from this contribution.

(e) Primary Residence Requirement.

United Veterans Mutual Housing Company, Inc. and United Veterans Housing No. 2 Corporation are intended to be owner occupied so as to promote the harmony, security and stability of the respective cooperatives, as well as to secure optimum compliance with the cooperative's by-laws and House Rules. Accordingly, the transfers of cooperative corporation stock and the corresponding proprietary lease shall be limited to purchasers who will occupy their respective units as their primary residence.

Each purchaser will be required to execute an affidavit stating that the apartment will be maintained by the purchaser as a primary residence. A violation of this provision will constitute a substantial violation of the by-laws and the cooperator's proprietary lease, and may be remedied by an action brought by either the Board of Directors or the New York State Attorney General's Office.

(f) Shareholders' Adoption of Proposal.

The approval of the New York State Division of Housing and Community Renewal for the United Veterans Mutual Housing Corporations to depart from State supervision is further conditioned on the adoption of a plan of reorganization by each respective housing corporation. The plan will be presented to the shareholders of each respective housing corporation. Each respective housing corporation would be free to accept or reject the plan independently. The plan will only be implemented with respect to each corporation, after the following steps are taken:

1. A plan of reorganization approved by the Board of Directors is submitted to the shareholders for approval.

2. The approved plan, along with an offering plan or other booklet, as required, is submitted to the Attorney General's Office Department of Law.

3. After acceptance by the Department of Law, the shareholders vote on the plan of reorganization. A two-thirds vote is required for approval of the final proposal.

(g) Future Increases in Maintenance & Assistance Program for Low Income Senior Citizens.

In recognition of the need to protect low-income senior citizen cooperators from future increases in monthly maintenance payments, the United Veterans Mutual Housing Company, Inc. and United Veterans Mutual Housing No. 2 Corporation have agreed to voluntarily establish a program under which eligible senior citizens who are residents of the premises at the time this agreement is put into effect, may receive a subsidy for a portion of their monthly maintenance directly from the respective apartment corporations reserve funds. In exchange for this cash subsidy, the apartment corporation would receive a lien against the low income senior citizens cooperative stock and proprietary lease in the amount of the total maintenance exemption granted plus 9% interest compounded daily. This lien could be satisfied without penalty at any time by the cooperator in the event that the cooperator's financial situation improves. In the event that the lien was not previously satisfied the cooperator may satisfy the apartment corporation's lien at the closing when the apartment corporation's stock and proprietary lease are being transferred. Presently, low income senior citizens are protected from rent increases by the New York City Senior Citizens Rent Increase Exemption (SCRIE) Program, which is administered by the Division of Rent Policy and Regulation of the Department of Housing Preservation and Development. To minimize the impact of the change from public to private status of the apartment corporation,

low-income cooperators will be afforded exactly the same benefits and protection that are currently available under the SCRIB Program.

THIRD. The covenants set forth in Paragraph TWO hereof shall be enforceable by the two participating cooperative housing corporations and by the New York State Attorney General's Office.

Agreed to this 23rd day of July, 1987, at New York, New York.

N.Y. STATE DIVISION OF HOUSING & COMMUNITY RENEWAL

By /s/
WILLIAM B. EIMICKE, COMMISSIONER

UNITED VETERANS MUTUAL HOUSING CO., INC.

By /s/
IRA TILLMAN, PRESIDENT

UNITED VETERANS MUTUAL HOUSING NO. 2 CORP.

By /s/
WILLIAM LEVINE, VICE PRESIDENT