

EXHIBIT B

BYLAWS OF THE KENSINGTON WOODS ASSOCIATION, INC.

OF DANBURY

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BYLAWS
OF
THE KENSINGTON WOODS ASSOCIATION, INC. OF DANBURY

ARTICLE I

Introduction

These are the Bylaws of The Kensington Woods Association, Inc. of Danbury

ARTICLE II

Executive Board

Section 2.1 - Number and Qualification: Termination of Declarant Control.

- (a) The affairs of the Common Interest Community and the Association shall be governed by an Executive Board consisting of a minimum of five (5) persons, the majority of whom, excepting the members of the Executive Board elected by the Declarant, shall be Unit Owners. If any Unit is owned by a partnership or corporation, any officer, partner or employee of that Unit Owner shall be eligible to serve as a board member. The members of the Executive Board shall be elected by the Unit Owners except for those appointed by the Declarant. At any meeting at which board members are to be elected, the Unit Owners may, by resolution, adopt specific procedures for conducting the elections, not inconsistent with these Bylaws or the Corporation Laws of the State of Connecticut. In the event the Executive Board determines that Kensington Woods is to be a tax district, they may expand the Executive Board to seven members.
- (b) The terms of at least one third (1/3) of the members of the Executive Board shall expire annually, as established in a resolution of the members setting terms.
- (c) Section 8.9 of the Declaration shall govern appointment of members of the Executive Board during the period of Declarant control.
- (d) The Executive Board shall elect the officers. The Directors and officers shall take office upon election.

- (e) At any time after Unit Owners other than the Declarant are entitled to elect a Director, the Association shall call and give not less than ten (10), nor more than sixty (60) days notice of a meeting of the Unit Owners for this purpose. Such meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Section 2.2 - Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, the Bylaws or the Act. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community which shall include, but not be limited to, the following:

- (a) Adopt and amend Bylaws and Rules;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Collect assessments for Common Expenses from Unit Owners;
- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees and agents other than managing agents and independent contractors;
- (f) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the Common Interest Community;
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modification of the Common Elements;
- (i) Cause additional improvements to be made as a part of the Common Elements;
- (j) Acquire, hold, encumber and convey in its own name any right, title or interest to real property or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 55 of the Act;
- (k) Grant leases, licenses and concessions for no more than one year, through or over the Common Elements;
- (l) Grant easements for any period of time including permanent easements.

- (m) Impose and receive payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements described in Subsections (2) and (4) of Section 22 of the Act, and for services provided to Unit Owners;
- (n) Impose charges or interest or both for late payment of assessments and, after Notice and Hearing, levy reasonable fines for violations of the Declaration, Bylaws and Rules of the Association;
- (o) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by Section 71 of the Act or statements of unpaid assessments;
- (p) Provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and Officers' liability insurance;
- (q) Assign the Association's right to future income, including the right to receive Common Expense assessments;
- (r) Exercise any other powers conferred by the Declaration or Bylaws;
- (s) Exercise all other powers that may be exercised in Connecticut by legal entities of the same type as the Association;
- (t) Exercise any other powers necessary and proper for the governance and operation of the Association; and
- (u) By resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 2.3 - Standard of Care. In the performance of their duties, the officers and Directors of the Executive Board are required to exercise the care required of fiduciaries of the Unit Owners, if appointed by the Declarant, and ordinary and reasonable care if elected by the Unit Owners.

Section 2.4 - Additional Limitations. The Executive Board shall be additionally limited pursuant to Article XXV of the Declaration.

Section 2.5 - Manager. The Executive Board may employ a Manager for the Common Interest Community at a compensation established by the Executive Board, to perform such duties and services as the Executive Board shall authorize. The Executive Board may delegate to the Manager only the powers granted to the Executive Board by these Bylaws under Subdivisions 2.2(c), (e), (g), and (h). Licenses, concessions and contracts may be executed by the Manager pursuant to specific resolutions of the Executive Board, and to fulfill the requirements of the budget.

Section 2.6 - Removal of Directors. The Unit Owners, by a two-thirds Vote of all persons present and entitled to Vote at any meeting of the Unit Owners at which a quorum is present, may remove any Director of the Executive Board with or without cause, other than a Director appointed by the Declarant.

Section 2.7 - Vacancies. Vacancies in the Executive Board caused by any reason other than the removal of a Director by a Vote of the Unit Owners, may be filled at a special meeting of the Executive Board held for that purpose at any time after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, in the following manner:

- (a) as to vacancies of Directors whom Unit Owners other than the Declarant elected, by a majority of the remaining such Directors constituting the Executive Board;
- (b) as to vacancies of Directors whom the Declarant has the right to appoint, by the Declarant.

Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced.

Section 2.8 - Regular Meetings. The first regular meeting of the Executive Board following each annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Unit Owners at the meeting at which such Executive Board shall have been elected. No notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of the Directors shall be present. The Executive Board may set a schedule of additional regular meetings by resolution and no further notice is necessary to constitute such regular meetings.

Section 2.9 - Special Meetings. Special meetings of the Executive Board may be called by the President or by a majority of the Directors on at least three (3) business days' notice to each Director. The notice shall be hand-delivered or mailed and shall state the time, place and purpose of the meeting.

Section 2.10 - Location of Meetings. All meetings of the Executive Board shall be held within the City of Danbury, unless all Directors consent in writing to another location.

Section 2.11 - Waiver of Notice. Any Director may waive notice of any meeting in writing. Attendance by a Director at any meeting of the Executive Board shall constitute a waiver of notice. If all the Directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

Section 2.12 - Quorum of Directors. At all meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the Votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the meeting. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 2.13 - Compensation. A Director may receive a fee from the Association for acting as such, as may be set by resolution of the Unit Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties. Directors acting as officers or employees may also be compensated for such duties.

Section 2.14 - Consent to Corporate Action. If all the Directors or all Directors of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the Directors or committee constitutes a quorum for such a ction, such actions shall be a valid corporate action as though it had been authorized at a meeting of the Executive Board or the committee, as the case may be. The Secretary shall file such consents with the minutes of the meetings of the Executive Board.

ARTICLE III

Unit Owners

Section 3.1 - Annual Meeting. Annual meetings of Unit Owners shall be held during the first week of November. At such meeting, the Directors shall be elected by ballot of the Unit Owners, in accordance with the provisions of Article II. The Unit Owners may transact other business at such meetings as may properly come before them.

Section 3.2 - Budget Meeting. Meetings of Unit Owners to consider proposed budgets shall be called in accordance with Sections 19.5 and 19.6 of the Declaration. The budget may be considered at Annual or Special Meetings called for other purposes as well.

Section 3.3 - Special Meetings. Special Meetings of Unit Owners may be called by the president, a majority of the Executive Board, or by Unit Owners having twenty percent (20%) of the Votes in the Association.

Section 3.4 - Place of Meetings. Meetings of the Unit Owners shall be held at such suitable place convenient to the Unit Owners as may be designated by the Executive Board or the president.

Section 3.5 - Notice of Meetings. Except for budget meetings, for which notice shall be given in accordance with Sections 19.5 and 19.6 of the Declaration, the secretary or other officer specified in the Bylaws shall cause notice to be hand-delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner, not less than ten (10), nor more than sixty (60) days in advance of any meeting. The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes and any proposal to remove an officer or Director of the Executive Board. No action shall be adopted at a meeting except as stated in the notice.

Section 3.6 - Waiver of Notice. Any Unit Owner may, at any time, waive notice of any meeting of the Unit Owners in writing, and such waiver shall be deemed equivalent to the receipt of such notice.

Section 3.7 - Adjournment of Meetings. At any meeting of Unit Owners, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.8 - Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call (or check-in procedure).
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports.
- (e) Establish number and term of memberships of the Executive Board (if required and noticed).
- (f) Election of inspectors of election (when required).

- (g) Election of Directors of the Executive Board (when required).
- (h) Ratification of Budget (if required and noticed).
- (i) Unfinished business.
- (j) New business.

Section 3.9 - Voting.

- (a) If only one of several owners of a Unit is present at a meeting of the Association, that owner is entitled to cast all the Votes allocated to that Unit. If more than one of the owners are present, the Votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the owners casts the Votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.
- (b) Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may Vote or register protest to the casting of Votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may revoke a proxy given pursuant to this Subsection only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date unless it specifies a shorter term.
- (c) The Vote of a corporation or business trust may be cast by any officer of such corporation or business trust in the absence of express notice of the designation of a specific person by the board of directors or bylaws of the owning corporation or business trust. The Vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to Vote.
- (d) No Votes allocated to a Unit owned by the Association may be cast.

Section 3.10 - Quorum. Except as otherwise provided in these Bylaws, the Unit Owners present in person or by proxy, at any meeting of Unit Owners, shall constitute a quorum at such meeting.

Section 3.11 - Majority Vote. The Vote of a majority of the Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where a higher percentage Vote is required in the Declaration, these Bylaws or by law.

ARTICLE IV

Officers

Section 4.1 - Designation. The principal officers of the Association shall be the president, the vice president, the secretary, and the treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The president and vice president but no other officers, need be Directors. Any two offices may be held by the same person, except the offices of president and vice president, and the offices of president and secretary. The office of vice president may be vacant.

Section 4.2 - Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Executive Board and shall hold office at the pleasure of the Executive Board.

Section 4.3 - Removal of Officers. Upon the affirmative Vote of a majority of the Directors, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for that purpose.

Section 4.4 - President. The president shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Unit Owners and of the Executive Board. He or she shall have all of the general powers and duties which are incident to the office of president of a nonstock corporation organized under the laws of the State of Connecticut, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. He or she may fulfill the role of treasurer in the absence of the treasurer. The president, as attested by the secretary, may cause to be prepared and may execute amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.5 - Vice President. The vice president shall take the place of the president and perform his or her duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the Executive Board shall appoint some other Director to act in the place of the president, on an interim basis. The vice president shall also perform such other duties as may be imposed upon him or her by the Executive Board or by the president.

Section 4.6 - Secretary. The secretary shall keep the minutes of all meetings of the Unit Owners and the Executive Board. He or she shall have charge of such books and papers as the Executive Board may direct and he or she shall, in general, perform all the duties incident to the office of secretary of a nonstock corporation organized under the laws of the State of Connecticut. The secretary may cause to be prepared and may attest to execution by the president of amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.7 - Treasurer. The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He or she shall be responsible for the deposit of all monies and other valuable effects in such depositories as may from time to time be designated by the Executive Board, and he or she shall, in general, perform all the duties incident to the office of treasurer of a nonstock corporation organized under the laws of the State of Connecticut. He or she may endorse on behalf of the Association for collection only, checks, notes and other obligations, and shall deposit the same and all monies in the name of and to the credit of the Association in such banks as the Executive Board may designate. He or she may have custody of and shall have the power to endorse for transfer on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others.

Section 4.8 - Agreements, Contracts, Deeds, Checks, etc. Except as provided in Sections 4.4, 4.6, 4.7, and 4.10 of these Bylaws, all agreements, contracts, deeds, leases, checks and other Instruments of the Association shall be executed by any officer of the Association or by such other person or persons as may be designated by the Executive Board.

Section 4.9 - Compensation. An officer may receive a fee from the Association for acting as such, as may be set by resolution of the Unit Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties.

Section 4.10 - Resale Certificates and Statements of Unpaid Assessments. The treasurer, assistant treasurer, or The Manager employed by the Association, or, in their absence, any officer having access to the books and records of the Association, may prepare, certify, and execute resale certificates in accordance with Section 71 of the Act and statements of unpaid assessments in accordance with Section 59(h) of the Act.

The Association may charge up to a \$75.00 fee for preparing resale certificates and statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Executive Board. The Association may refuse to furnish resale certificates and statements of unpaid assessments until the fee is paid. Any unpaid fees may be assessed as a Common Expense against the Unit for which the certificate or statement is furnished.

ARTICLE V

Enforcement

Section 5.1 - Abatement and Enjoinment of Violations by Unit Owners. The violation of any of the Rules adopted by the Executive Board, or the breach of any provision of the Documents shall give the Executive Board the right, after Notice and Hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws.

- (a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist therein) that is existing and creating a danger to the Common Elements contrary to the intent and meaning of the provisions of the Documents, and the Executive Board shall not thereby be deemed liable for any manner of trespass; or
- (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 5.2 - Fine for Violation. By resolution, following Notice and Hearing, the Executive Board may levy a fine of up to \$50.00 per day for each day that a violation of the Instruments or Rules persists after such Notice and Hearing, but such amount shall not exceed that amount necessary to insure compliance with the rule or order of the Executive Board.

ARTICLE VI

Indemnification

The Directors and officers of the Association shall have the liabilities, and be entitled to indemnification, as provided in Sections 33-455 and 33-454 of the Connecticut General Statutes, the provisions of which are hereby incorporated by reference and made a part hereof.

ARTICLE VII

Records

Section 7.1 - Records and Audits. The Association shall maintain financial records. The financial records shall be maintained and audited in accordance with Article XVIII of the Declaration. The cost of the audit shall be a Common Expense unless otherwise provided in the Documents.

Section 7.2 - Examination. All records maintained by the Association or by the Manager shall be available for examination and copying by any Unit Owner, by any holder of a Security Interest in a Unit, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 - Records. The Association shall keep the following records:

- (a) An account for each Unit which shall designate the name and address of each Unit Owner the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Unit, the amount of each Common Expense assessment, the dates on which each assessment comes due, the amounts paid on the account, and the balance due.
- (b) An account for each Unit Owner showing any other fees payable by the Unit Owner.
- (c) A record of any capital expenditures anticipated by the Association for the current and next succeeding fiscal year.
- (d) A record of the amount, and an accurate account of the current balance of any reserves for capital expenditures, replacement and emergency repairs.
- (e) The current operating budget adopted pursuant to Subsection 58(a) of the Act and ratified pursuant to the procedures of Subsection 46(c).
- (f) A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant.
- (g) A record of insurance coverage provided for the benefit of Unit Owners and the Association.
- (h) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements.
- (i) Annually the Association shall prepare a balance sheet showing the financial condition of the corporation as of a date not more than four (4) months prior thereto, and a statement of receipts and disbursements for twelve (12) months prior to that date. The balance sheet and statement shall be kept for at least ten years from such date in the principal office of the Association.
- (j) Tax returns for state and Federal income taxation.

- (k) Minutes of proceedings of incorporators, Unit Owners, Directors, committees of Directors and waivers of notice.

Section 7.4 - Form Resale Certificate. The Executive Board shall adopt a form resale certificate to satisfy the requirement of Section 71 of the Act.

ARTICLE VIII

Miscellaneous

Section 8.1 - Notices. All notices to the Association or the Executive Board shall be delivered to the office of the Manager, or if there is no Manager, to the office of the Association, or to such other address as the Executive Board may hereafter designate from time to time, by notice in writing to all Unit Owners and to all holders of Security Interests in the Units who have notified the Association that they hold a Security Interest in a Unit. Except as otherwise provided, all notices to any Unit Owner shall be sent to his or her address as it appears in the records of the Association. All notices to holders of Security Interests in the Units shall be sent, except where a different manner of notice is specified elsewhere in the Documents, by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Association. All notices shall be deemed to have been given when mailed except notices of changes of address which shall be deemed to have been given when received.

Section 8.2 - Fiscal Year. The Executive Board shall establish the fiscal year of the Association.

Section 8.3 - Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.4 - Office. The principal office of the Association shall be on the Property or at such other place as the Executive Board may from time to time designate.

ARTICLE IX

Amendments to Bylaws

The Bylaws may be amended only pursuant to the provisions of Article XVI of the Declaration.

Certified to be the Bylaws adopted by consent of the incorporator of the Kensington Woods Association, Inc. of Danbury dated _____, 2000.

Kensington Woods Association, Inc. of Danbury

By: _____
Carl R. Kuehner, Incorporator

THE INITIAL RULES
OF
THE KENSINGTON WOODS ASSOCIATION, INC. OF DANBURY

Initial capitalized terms are defined in Article I of the Declaration. The following Rules apply to all owners and occupants of Units.

ARTICLE I.

Use of Units Affecting the Common Elements

Section 1.1 - Occupancy Restrictions. All Units are limited to occupancy as a single family residence as provided for in the Declaration. A single family residence is defined as a single housekeeping Unit, operating on a non-profit, non-commercial basis, cooking and eating with a common kitchen and dining area.

Section 1.2 - Use Restrictions. No industry, business, trade or commercial activities shall be conducted, maintained or permitted in any part of a Unit, except for home professional pursuits not requiring regular visits from the public, or unreasonable levels of mail, shipping, trash, or storage requirements. No sign indicating commercial uses may be displayed outside any Unit. No signs or window displays shall be maintained or permitted. No Unit shall be used or rented for transient, hotel or motel purposes.

Section 1.3 - Leases. No Unit may be leased except by written leases in excess of six months. Each lease will be filed with the Executive Board, and written notice given of commencement and termination of possession. Each lease will incorporate the terms and restrictions of the Instruments as a personal obligation of the tenant.

Section 1.4 - Access by Executive Board. The Executive Board, or its designated agent, may retain a pass key to all Units for use in emergency situations only. No Unit Owner may alter any lock, or install a new lock on any door of any Unit without providing the Executive Board, or its agent, with a key therefor. At the Unit Owner's option, he or she, may require that the key to be enclosed in a sealed envelope with instructions that it shall only be used in emergencies with a report to him, or her, as to each use and the reason therefore.

Section 1.5 - Displays Outside of Units. Unit Owners shall not cause or permit anything other than curtains, conventional draperies, and holiday decorations to be hung, displayed or exposed on the outside of windows without the prior consent of the Executive Board, or such committee established by the Executive Board having jurisdiction over such matter, if any. No Unit Owner, will be allowed to hang, drape or

otherwise display laundry on the exterior of any Unit, in the Common Elements, or on Limited Common Elements. Holiday decorations may be installed up to 30 days prior to holiday observance, only on front porches, and must be removed within 10 days after the holiday. Should any damage occur, the repair shall be made by the Unit Owner and, if not accomplished in a timely manner, by the Association which shall then place a lien of record on the Unit.

Section 1.6 - Modifying Exteriors. No Unit Owner, tenant, or other occupant of a Unit may change the appearance of any exterior wall, door, window, porch, deck, or any other exterior surface of any Unit, on the Common Elements or the Limited Common Elements.

Section 1.7 - Appearance. All Unit Owners, tenants, and other occupants of a Unit shall keep and maintain the area in and around their Unit in a clean and neat condition. All porches and decks shall also be kept clean and free of clutter.

ARTICLE II

Use of the Common Elements

Section 2.1 - Obstructions. There shall be no obstruction of the Common Elements, nor shall anything be stored outside of Units.

Section 2.2 - Proper Use. Common Elements shall be used only for the purpose for which they were designed. No person shall interfere with the proper use by others, or commit any nuisances, vandalism, boisterous or improper behavior on the Common Elements which interferes with, or limits, the enjoyment of the Common Elements by others.

Section 2.3 - Alterations, Additions or Improvements to the Common Elements. No alterations, additions or improvements may be made to the Common Elements. No articles other than holiday decorations shall be hung on the exterior of any Unit, or exposed, or placed on the outside walls, or doors, of a Unit, or on trees, and no sign, awning, canopy, shutter or antenna shall be affixed to or placed upon the exterior walls or doors, roof or any part thereof, or exposed from, or in, any window.

Section 2.4 - Solicitation. There shall be no solicitation by any person anywhere within Kensington Woods for any cause whatsoever, unless invited by the Unit Owner, tenant, or other occupant to be solicited, or specifically authorized by the Executive Board.

Section 2.5 - Climbing. Climbing of any tree or structure is prohibited.

Section 2.6 - Digging. No digging, or pulling up of the sod, is permitted, unless allowable under Section 2.3 hereof.

Section 2.7 - Supervision of Children. All children must be supervised by an adult while they are playing in the Common Elements. Their safety is the responsibility of the parent or guardian, whether, or not, they accompany the child. All children must wear helmets while riding bicycles within Kensington Woods.

Section 2.8 - Transformers. All residents and guests should stay away from the pad mounted electrical transformers. If any locks are broken or missing it should be reported to CL&P at 1-800-286-2000.

Section 2.9 - Enforcement. Offenders identified to the satisfaction of the Executive Board as vandals will be dealt with firmly, and may be prosecuted. Compensation will be sought from the offenders, as well as fines imposed on the Unit Owner, tenant, or occupant deemed to be the responsible party. Fines imposed will be the maximum allowable by law.

Section 2.10 - End Units. The owners of Units located at either end of a building shall have no greater right to use the Common Element grounds adjacent to their Units than any other Unit Owner. Without limitation, no Unit Owner may install any kind of electronic or other fencing on the Common Elements, or any other device designated to keep pets out of doors in a contained area, without obtaining consent of the Association.

ARTICLE III

Use of the Limited Common Elements

Section 3.1 - Exterior Displays. No Unit Owner, tenant, or other occupant of a Unit may place any sunscreen, blind, storm shutter, screen door, awning or clothing, bedding, towels, rugs, or other similar items on any Unit or Limited Common Element, without securing the written approval of the Executive Board before installation. No Unit Owner, tenant, or other occupant of a Unit may erect any exterior lights, signs, or attach any structures, or fixtures to or within the Common Elements.

Section 3.2 - Electronic Devices. No Unit Owner, tenant, or other occupant of a Unit may erect, construct, or maintain any wire devices, antennas or other equipment, or structures, on the exterior of the Unit or on, or in, any Limited Common Areas or on the Common Elements, except by written consent of the Executive Board prior to installation.

Section 3.3 - Kerosene Heaters. No Kerosene heaters may be used within Units.

Section 3.4 - Gas Grills. Operating a barbecue grill in a garage is prohibited. No charcoal grills are permitted.

Section 3.5 - Storage. Decks and porches should not be cluttered with personal items. No toys, bicycles, sports equipment and the like may be stored on Limited Common Elements at anytime.

Section 3.6 - Satellite Dishes. Satellite dishes, not to exceed 24 inches in diameter, are permitted to be professionally installed by Unit Owners after submitting a Satellite Dish Authorization Form and receiving a confirmation letter of receipt by the Executive Board. (See Satellite Dish Authorization Form attached as Appendix A.) Unit Owner's will be held solely responsible for any and all damage to Unit (s), common and or limited common areas resulting from the installation, maintenance, use or removal of said satellite. Owner (s) acknowledge that the Executive Board shall be entitled and authorized to repair any such damage and the Executive Board shall charge any expenses associated with the repair of said damage to the Owner (s)' Unit account.

Section 3.7 - Enforcement. Offenders identified to the satisfaction of the Executive Board as vandals of the Common Elements or Limited Common Elements will be dealt with firmly and may be prosecuted as vandals. Compensation will be sought from the offenders, as well as fines imposed on the Unit Owner, tenant, or other occupant of the Unit. Fines imposed will be the maximum allowed by law.

ARTICLE IV

Insurance

Section 4.1 - Increase in Rating. Nothing shall be done, or kept, which will increase the rate of insurance on any of the Units, or contents thereof, without the prior consent of the Executive Board. No Unit Owner shall permit anything to be done, or kept, on the Property which will result in the cancellation of insurance coverage on any of the Units, or contents thereof, or which would be in violation of any law.

Section 4.2 - Rules of Insurance. Unit Owners, tenants and occupants shall comply with the rules and regulations of all applicable fire rating associations and as contained in any fire liability insurance policy providing coverage for the Property.

Section 4.3 - Reports. Damage by fire, or an accident affecting the Property, and the person(s) injured by, or responsible for, any damage, fire or accident must be promptly reported by any person having knowledge thereof, to the managing agent, or to a Director.

Section 4.4 - Smoke Detectors. Smoke detectors must be installed and maintained in every Unit in accordance with applicable State of Connecticut building regulations.

ARTICLE V

Rubbish Removal

Section 5.1 - Refuse. All refuse must be deposited in the garbage receptacles and placed at curb side for pickup on the designated day each week. Recycled refuse is to be separated in accordance with the guidelines established by the refuse vendor and placed at curb side on the designated day for pickup. All refuse containers must be returned to the interior of the Unit on the same day as the pickup.

Section 5.2 - Hazardous Waste. Chemicals, or any hazardous waste (e.g.: motor oil, antifreeze, paint, etc.), shall not be put in any refuse container for pickup, or poured down any drain on the Property. All other items (e.g.: appliances, furniture, etc.) should be taken to the City of Danbury's Recycling Facility by the Unit Owner, or resident, or arrangements made with a private trash company to pick up same.

ARTICLE VI

Motor Vehicles

Section 6.1 - Compliance with the Laws. All persons will comply with the Connecticut State Department of Motor Vehicle Regulations, and all applicable local ordinances, while on the Kensington Woods Property.

Section 6.2 - Speed Limit. The speed limit within Kensington Woods is 15 miles per hour. Speed limit and stop signs must be obeyed. Please drive on the right side of the roadway.

Section 6.3 - Limitations on Types of Vehicles. No vehicles of any kind other than automobiles and trucks having a carrying capacity of one ton or less, may be parked on any part of the exterior of the Common and Limited Common Elements. Prohibited are such vehicles as campers, trailers, boats, vehicles with more than four wheels, trucks over one ton, any off-road vehicle, and/or any commercial plated vehicle. Such vehicles may, however, be kept in garages with the door closed provided that you do not require any additional parking spaces.

Section 6.4 - No Parking Areas. No vehicles may be parked in any area other than designated parking and parked in such a manner as to block access to fire hydrants, sidewalks, pedestrian crossing areas, designated fire lanes, or emergency access ways, or

to restrict clear two lane passage by vehicles, nor shall they be parked in any other Unit's assigned parking space(s). Vehicles in violation will be towed after reasonable efforts to contact the owner have been made. In addition, a \$50 per day fine may be levied against the Unit Owner, tenant or occupant to whom the vehicle is registered for the period that the vehicle violates these rules following Notice and Hearing.

Section 6.5 - Prohibited Vehicles. Vehicles that display a trademark, business logo, for sale sign, or any advertising message shall not park overnight on any of the Common or Limited Common Elements, except those vehicles which are temporarily on the Property for the purpose of serving the Property itself, or one of the Units thereon.

Section 6.6 - Unregistered Vehicles. Unregistered vehicles parked on the Common or Limited Common Elements for more than 24 hours must be removed from the Property until legally registered. Operating unregistered vehicles including mopeds, off road vehicles and motor bikes on the roadways, or on the Common Elements of Kensington Woods, is prohibited. Unregistered vehicles will be tagged by the management agent or the police department and then towed at the owner's expense.

Section 6.7 - Vehicle Operators. All vehicles on the roadways within Kensington Woods must be operated by licensed drivers. Persons with learning permits are not considered licensed drivers.

Section 6.8 - Repairs. No major, or time consuming, vehicle repairs are permitted.

Section 6.9 - Visitor Parking. There are two parking spaces for each Unit which may include an interior garage. These parking spaces are referred to as your "primary parking" spaces. Visitor parking spaces can be used under the following conditions when the Unit Owner's two primary parking spots are occupied:

- by a visitor of a Unit Owner for up to 72-hours consecutively; or
- by a Unit Owner for up to 72-hours consecutively, only if the resident has a visitor who is parked in at least one of the resident's primary parking spaces.

Section 6.10 - Restricted Parking. The use of the visitor parking areas and/or any roadway as additional parking space is prohibited. All parking regulations will be strictly enforced. One warning will be issued following by a fine, or towing, or both. The Executive Board has the right to remove vehicles with no prior notice for emergency purposes.

Section 6.11 - Number of Vehicles Per Unit. Only two registered motor vehicles per Unit are normally allowed to be parked on the Kensington Woods Property. However, three registered vehicles per Unit are the maximum allowed under any condition.

ARTICLE VII

Rights of the Declarant

The Declarant may make use of the unsold Units and Common Elements as may facilitate completion and sale of Kensington Woods including, but not limited to, the maintenance of sales offices, the showing of the Common Elements and unsold Units, and the display of signs. Entrance into construction, or Declarant's restricted, areas will only be permitted when accompanied by a representative of the Declarant.

ARTICLE VIII

General Administrative Rules

Section 8.1 - Consent in Writing. Any consent or approval required by these Rules must be obtained in writing and may be revoked at any time by resolution of the Executive Board, subject to Notice and Comment, or Notice and Hearing at the option of the Executive Board.

Section 8.2 - Complaints. Any formal complaint regarding the management of the Property, or the actions of other Unit Owners, tenants, or residents shall be made in writing to the Executive Board, or to an appropriate committee thereof.

Section 8.3 - Renting. Unit Owners renting their Units are responsible to pass on to their tenants the Rules, regulations, important information, and Association correspondence. Unit Owners are responsible for all fines levied against their Unit(s).

Section 8.4 - Tag Sales. Tag sales and garage sales are not permitted without the prior written consent of the Executive Board. Please address any such written request to the Executive Board at least one month prior to the scheduled sale.

Section 8.5 - Common Expenses. Common Expenses are due on the first of each month. Payments received after the tenth of the month will be subject to a late charge of \$25.00 per month.

ARTICLE IX

Pets

Section 9.1 - Household Pets. Each Unit Owner may keep one (1) dog which shall not act in a way which creates a nuisance for other Unit Owners, or tenants. Each Unit Owner may also keep one (1) cat or, if they have no dog, two (2) cats. Subject to the other provisions of this Rule, Owners may also keep caged birds and tropical fish. Otherwise, no animals, birds, or reptiles of any kind, will be raised, bred, or kept within Kensington Woods, or brought on to the Common Elements, unless approved in writing by the Executive Board, or the Manager of the Community. Pets may not be kept, bred or maintained for any commercial purposes. Any pet causing or creating a nuisance, or unreasonable disturbance, or noise, will be permanently removed from the Property upon three (3) days' written Notice and Hearing from the Executive Board. Dogs are not permitted in any portion of the Common Elements unless carried or on a leash; no dogs will be curbed in any courtyard or close to any patio, except in the street, or special areas designated by the Executive Board. Unit Owners are required to promptly pick up and remove all pet droppings. The Unit Owner will compensate any person hurt or bitten by any dog, and the Unit Owner will hold the Association harmless from any claim resulting from any action of his pet whatsoever. Seeing eye dogs will be permitted for those persons holding certificates of blindness and necessity (20/200 in the better eye with correction), as well as hearing ear dogs.

Section 9.2 - Repairs. Pet owners shall be responsible for the repair and/or additional maintenance required because of damage caused by their pets to lawns, shrubs, trees, etc.

Section 9.3 - Leashes. All pets must be hand leashed. Pets are never to be tied up outside unattended, or left to roam on their own.

Section 9.4 - Pet Nuisance. Pets shall not cause or create a nuisance, unreasonable levels of noise, or a disturbance. Repeated complaints from several Unit Owners located in Units, adjoining and/or adjacent to the pet's location, shall constitute unreasonable behavior.

Section 9.5 - Clean Up. All pet owners or attendants, are responsible to immediately pick up after their pet and properly dispose of the waste.

ARTICLE X

Actions of Owners and Occupants

Section 10.1 - Annoyance and Nuisance. No noxious, offensive, dangerous or unsafe activity shall be carried on in any Unit, Limited Common Element, or the Common Elements, nor shall anything be done therein either willfully or negligently, which may be, or become, an annoyance, or nuisance, to other Unit Owners tenants or occupants. No Unit Owner, tenant or occupant, shall make, or permit to be made, any disturbing noises by him or herself, their children, his or her servants, employees, agents, visitors, licensees and pets, nor do or permit such persons to do anything that will interfere with the rights, comforts or convenience of other Unit Owners, tenants, or occupants. All Unit Owners, tenants and other occupants shall exercise extreme care not to make noise, including automobile related noise, or the use of musical instruments, radios, television, and amplifiers that may tend to disturb other occupants of Kensington Woods.

Section 10.2 - Compliance with Laws. No offensive, or unlawful, use may be made of the Property. Unit Owners shall comply with and conform to all applicable laws and regulations of the United States and the State of Connecticut, as well as all ordinances, rules and regulations of the City of Danbury. Any violating Unit Owner shall hold the Association, and other Unit Owners harmless from all fines, penalties, and the cost of prosecution for the violation, or noncompliance herewith.

Section 10.3 - Indemnation from Actions of Others. Unit Owners shall hold the Association and other Unit Owners, harmless for their actions, as well as those of their tenants, guests, servants, employees, agents, invitees, licensees, children and pets.

Section 10.4 - Employees of the Managing Agent. No Unit Owner shall utilize the services of any employee of the managing agent, or any contractors which they may employ, for any private business of the Unit Owner, nor shall they be used for the individual benefit of any Unit Owner, unless in the pursuit of the mutual benefit of all Unit Owners, or pursuant to the provision of special services for a fee to be paid to the Association after written consent is obtained from the Executive Board.

Section 10.5 - Water Usage. No Unit Owner shall allow the unreasonable, or excessive, use of water supplied to each Unit, and Unit Owners shall conserve water by the use of water-saving devices for all plumbing fixtures to the extent that such devices are commercially available. No Unit Owner shall allow the unreasonable, or excessive, use of water provided by interior plumbing fixtures outside of any Unit, or on the Common Elements.

Section 10.6 - Alternate Dispute Resolution. Pursuant to Section 47-244 (a) (18) of the Act, the Executive Board requires that disputes between the Executive Board and any Unit Owner, OTHER THAN DISPUTES WITH RESPECT TO NON-PAYMENT OF COMMON EXPENSE ASSESSMENTS, or between any two Unit Owners, regarding any aspect of the community, must be submitted to non-binding alternative dispute resolution in accordance with this regulation as a prerequisite to commencement of a judicial proceeding.

The Procedures to be used are as follows:

First, any person who intends to or is required to use the procedures of this regulation (the "Applicant") must notify the Association and any other person involved in the dispute, in writing, that the Applicant is using the dispute resolution procedures of the Kensington Woods Association, Inc. of Danbury's Rules.

The notice should also contain a concise statement of the subject of the dispute.

Second, the President of the Executive Board, or the President's designate, (in either case, the "Association's Representative") must promptly meet with the Applicant. If the Applicant's dispute is with the Association, or the President, the Association's Representative should be, if practical, a Director, property manager, or other Unit Owner who is not directly involved in the subject matter of the dispute. If the dispute is not with the Association, the Association's Representative should also ask to meet with the other parties to the dispute, either with the Applicant, or separately.

Third, at the first meeting, and at any subsequent meetings which all the parties feel may be helpful, the Applicant, the Association's Representative and any other parties to the dispute may first seek to satisfactorily (if not amicably) resolve the matter, without any further proceedings.

Fourth, if a satisfactory resolution under the third step is not feasible, the Association's Representative should seek to identify an additional procedure for resolution of the dispute. The procedure should be, if possible, one that is mutually satisfactory to all parties to the dispute. However, at a minimum, the Association's Representative may require, in the sole discretion of the Association's Representative, that the Applicant and the other parties to the dispute participate in either, but not both, of the following procedures, before any lawsuit may be filed:

- (i) individual mediation: The Association's Representative may retain, at the Association's expense (if any expenses are incurred), an individual or organization who either on a volunteer or compensated basis, is willing and able to serve as a neutral third party to attempt to mediate the dispute. Unless the parties to the dispute agree on the identity of the mediator, the

mediator should be a person who is neither a Unit Owner, or the property manager at Kensington Woods.

- (ii) panel mediation: Alternatively, the Association's Representative may choose panel mediation. In that case, the Applicant should pick a mediator of his choosing, and the Association's Representative (if the Association is the party to the dispute) or, otherwise, the other party, or parties, to the dispute, shall themselves each select their own mediator, and those mediators shall attempt to select an additional mediator.

The costs of panel mediation shall be paid in equal shares by the parties to the mediation, so long as the cost of the first meeting to any one party does not exceed \$100.00.

Fifth, regardless of the form of mediation selected, the first mediation meeting under the fourth step should occur no later than fifteen (15) calendar days after the meeting which occurs as result of the third step. Neither the Applicant or any other party shall be required to attend more than one meeting with the mediator(s). The mediators selected should try and use all reasonable efforts to resolve the dispute by voluntary means, including any additional meetings which are acceptable to the parties.

Finally, if the dispute cannot be resolved under the foregoing procedures, the Applicant shall be free to pursue any legal recourse available.

ARTICLE XI

General Recreation Rules

Section 11.1 - Limited to Occupants and Guests. Passive recreational facilities, the clubhouse, pool, open space and woodlands within the Common Elements are limited to the use of Unit Owners, their tenants and invited guests, not to exceed four (4) people. All facilities are used at the risk and responsibility of the user, and the user will hold the Association harmless from damage or liability claims by virtue of such use.

Section 11.2 - Ejectment for Violation. Unit Owners, members, guests and tenants may be summarily ejected from any recreational facility in the event that they violate the Association's Rules, and may be suspended from utilizing same until the time for Notice and Hearing concerning such violation, and thereafter suspended for the period of time established as a result of such a hearing.

Section 11.3 - Proper Use. Recreational facilities will be used only for the purposes for which they were designed. They may not be abused, overcrowded, vandalized, or operated in such a way as to prevent, or interfere with, permitted play, or use by others.

ARTICLE XII

Swimming Pool Area

Section 12.1 - Shower Before Entry. All persons will shower at the pool before entering the pool, or reentering the pool.

Section 12.2 - Diseased Persons. Any person known or suspected of having a communicable disease shall not be permitted to use the pool.

Section 12.3 - Spitting or Blowing Nose. Spitting, or blowing one's nose in the swimming pool, is prohibited.

Section 12.4 - Boisterous Play. Running and boisterous or rough play is prohibited.

Section 12.5 - Regulations of the Department of Health. All regulations of the Connecticut State Department of Health are included herein by reference.

Section 12.6 - Rules Concerning Guests. Guests must carry the Unit Owner's Identification Tag. All guests under the age of 16 must be accompanied by an adult at all times.

Section 12.7 - Children in the Pool. Children under the age of 12 will not be allowed in the pool area unless accompanied by an adult. Children who normally wear diapers must wear swimsuit diapers of the type that prevent leakage when using the pool.

Section 12.8 - Portable Radios, CD's, etc. Radios and musical reproduction devices are prohibited from the swimming pool area, unless they are outfitted with earplugs, such that music will not be audible to anyone other than the owner of the device.

Section 12.9 - Prohibited Items. Alcoholic beverages, pets, glassware, electrical appliances, underwater breathing apparatus, knives or other dangerous items are prohibited in the pool area.

Section 12.10 - Additional Rules. Please refer to the rules posted at the swimming pool which are included herein by reference.

ARTICLE XIII

Kensington Club

Section 13.1 - Keys. All Unit Owners shall be issued a key to the Kensington Club. In the event that you lose this key, the cost of a replacement key will be \$100.00.

Section 13.2 - Boisterous Activities. No boisterous activities, rough play, running, dangerous activities and unattended minor children shall be permitted within the Kensington Club.

Section 13.3 - Kitchen. Use of the kitchen facilities is limited to Unit Owners, and their invitees who have rented the Kensington Club for a private function. The rental policy for the Kensington Club is described in Appendix C hereto.

Section 13.4 - Exercise Room. The exercise room is available to Unit Owners at all times. Please be advised that the use of this facility is not supervised and Unit Owners should be aware that their use of same is entirely at their own risk. Please observe the rules and regulations which are posted within the exercise room.

Section 13.5 - Smoking. The entirety of the Kensington Club is a non-smoking area. Anyone who continues to violate this policy after reasonable notice may be suspended from utilizing this recreational facility.

Section 13.6 - Alcoholic Beverages. Unless a Unit Owner has rented the Kensington Club and is legally responsible for the actions of his invitees, no alcoholic beverages may be brought into the clubhouse, or consumed on the premises.

Section 13.7 - Destruction. Anyone who destroys the furnishings, decorations, or equipment located in the Kensington Club shall be financially responsible for the repair, or replacement, of the damaged, or destroyed item(s).

Section 13.8 - Gambling. No gambling, or any other illegal activity of any form, may be conducted within the Kensington Club, or anywhere on the Kensington Woods Common Elements.

Section 13.9 - Attire. No one shall be permitted within the Kensington Club, unless he, or she, is properly attired. Shirts and shoes must be worn at all times in areas other than the exercise room and locker facilities. Individuals wearing wet swimsuits are prohibited from all parts of the Kensington Club, other than the locker rooms and the hallway leading thereto.

Certified to be the initial Rules adopted by the
Executive Board on its date of organization.

KENSINGTON WOODS ASSOCIATION,
INC. OF DANBURY

By: _____
Carl R. Kuchner, President