



IV. RULES OF

FOUNTAIN HILL ASSOCIATION, INC.

(Public Offering Statement Exhibit C)

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. Units are limited to occupancy by single families. (Please consult Article X of Declaration for further discussion of restrictions.)

Section 1.2 - Access by Executive Board and Secured Space. The Executive Board, the manager or its designated agent, may retain a pass key to all Units for use in emergency situations only. No Unit Owner shall alter any lock or install a new lock on any door of any Unit without immediately providing the Executive Board, the manager or its agent, with a key therefor. At the Unit Owner's option, he or she may provide the key be enclosed in a sealed envelope with instructions that it only be used in emergencies with a report to him or her as to each use and the reason therefor. Each Unit may have closets, safes or vaults not exceeding 50 cubic feet in capacity which can be locked without such access.

Section 1.3 - Electrical Devices or Fixtures. No electrical device creating electrical overloading of standard circuits may be used without permission from the Executive Board. Misuse or abuse of appliances or fixtures within a Unit which affects other Units or the Common Elements is prohibited. Any damage resulting from such misuse shall be the responsibility of the Unit Owner from whose Unit it shall have been caused. Total electrical usage in any Unit shall not exceed the capacity of the circuits as labeled on the circuit breaker boxes.

Section 1.4 - Trash. No storage of trash will be permitted in or outside any Unit in such manner as to permit the spread of fire or encouragement of vermin.

Section 1.5 - Cleanliness. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness.

Section 1.6 - Displays Outside of Units. Unit Owners shall not cause or permit anything other than curtains and conventional draperies, and holiday decorations to be hung, displayed or exposed at or 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 matters, if any. Unit owners shall not cause or permit anything to be hung from the porches or window sills.

Section 1.7 - Painting Exteriors. Owners shall not paint, stain, or otherwise change the color of any exterior portion of any building without the prior consent of the Executive Board or such committee then established having jurisdiction over such matters, if any.

Section 1.8 - Installation and Operation of Woodburning Stoves. Each Unit Owner wishing to install and operate a woodburning stove must first obtain a permit from the City of New Haven. The Unit Owner must comply with all applicable state laws and all ordinances, rules and regulations of the City of New Haven governing the installation and use of a woodburning stove. The woodburning stove must be a "Listed Stove" inspected by a testing agency recognized by the State of Connecticut, and it must be installed in strict accordance with the manufacturer's instructions, and to the satisfaction of the Building Inspector for the City of New Haven. Unit Owners must keep the woodburning stove in good working repair so as not to jeopardize the safety of other Unit Owners or occupants. Unit Owner's shall not own or operate a woodburning stove in such a way as to violate Sections 4.1 and 4.2 of Article IV hereunder.

ARTICLE II Use of Common Elements

Section 2.1 - Obstructions. There shall be no obstruction of the Common Elements, nor shall anything be stored outside of the Units without the prior consent of the Executive Board except as hereinafter expressly provided.

Section 2.2 - Trash. No garbage cans or trash barrels shall be placed outside the Units. No accumulation of rubbish, debris or unsightly materials shall be permitted in the Common Elements, except in designated trash storage containers. Rugs or mops shall

not be shaken or hung from or on any of the windows, doors, balconies, porches or terraces.

Section 2.3 - Proper Use. Common Elements shall be used only for the purposes for which they were designed. No person shall commit waste on the Common Elements or interfere with their 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 2.4 - Alterations, Additions or Improvements to Common Elements. No alterations, additions or improvements may be made to the Common Elements without the prior consent of the Executive Board or such committee established by the Executive Board having jurisdiction over such matters, if any. No clothes, sheets, blankets, laundry or any other kind or articles other than holiday decorations on doors only, shall be hung out of a building or exposed or placed on the outside walls, doors of a building 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 on or at any window.

ARTICLE III

Actions of Owners and Occupants

Section 3.1 - Annoyance or Nuisance. No noxious, offensive, dangerous or unsafe activity shall be carried on in any Unit, or the Common Elements, nor shall anything be done therein either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or occupants. No Unit Owner or occupant shall make or permit any disturbing noises by himself or herself, his or her family, servants, employees, agents, visitors and licensees, nor do or permit anything to be done by such persons that will interfere with the rights, comforts or convenience of other Unit Owners or occupants. No Unit Owner or occupant shall play, or suffer to be played, any musical instrument or operate or suffer to be operated a phonograph, television set or radio at such high volume or in such other manner that it shall cause unreasonable disturbances to other Unit Owners or occupants.

Section 3.2 - Compliance With Law. No immoral, improper, offensive or unlawful use may be made of the Property and Unit Owners shall comply with and conform to all applicable laws and regulations of the United States and of the State of Connecticut, and all ordinances, rules and regulations of the Town of New Haven. The violating Unit Owner shall hold the Association and other Unit Owners harmless from all fines, penalties, costs and prosecutions for the violation thereof or noncompliance therewith.

Section 3.3 - Indemnification for Actions of Others. Unit Owners shall hold the Association and other Unit Owners and occupants harmless for the actions of their children, tenants, guests, pets, servants, employees, agents, invitees or licensees.

Section 3.4 - Employees of Management. No Unit Owner shall send any employee of the manager out of the Property on any private business of the Unit Owner, nor shall any employee be used for the individual benefit of the 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.

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 buildings, 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 buildings, or contents thereof, or which would be in violation of any law.

Section 4.2 - Rules of Insurance. Unit Owners and occupants shall comply with the Rules and Regulations of the New England Fire Rating Association and with the rules and regulations contained in any fire and liability insurance policy on the Property.

Section 4.3 - Reports of Damage. Damage by fire or accident affecting the Property, and persons injured by or responsible for any damage, fire or accident must be promptly reported to the manager or a Director by any person having knowledge thereof.

ARTICLE V

Rubbish Removal

Rubbish container locations will be designated by the Executive Board or the manager. Pickup will be from those locations only. Occupants will be responsible for removal of rubbish from their Units to the pickup locations. Rubbish is to be deposited within that location and the area is to be kept neat, clean and free of debris. Long term storage of rubbish in the Units is forbidden.

ARTICLE VI
Rights of Declarant

The Declarant may make such use of the unsold Units and Common Elements as may facilitate completion and sale of the ~~Common~~ Interest Community including, but not limited to, maintenance of a sales office, the showing of the Common Elements and unsold Units, the display of signs, the use of vehicles, and the storage of materials. Interference with workmen or with buildings under construction is prohibited. Entrance into construction or Declarant's restricted areas will be only with representatives of the Declarant.

ARTICLE VII
General Administrative Rules

Section 8.1 - Consent in Writing. Any consent or approval required by these Rules must be obtained in writing prior to undertaking the action to which it refers.

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

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