

THE COCONUT GROVE ON KAPALUA BAY

RULES AND REGULATIONS

These Rules and Regulations supplement but do not change the obligations of the owners of apartments in The Coconut Grove on Kapalua Bay condominium project ("the Project"), and all occupants, tenants and guests thereof, as set forth in Hawaii Revised Statutes Chapter 514B, the applicable County Zoning Ordinance for the land on which the Project is located, the Declaration of Condominium Property Regime of the Project (the "Declaration") and the By-Laws of the Association of Apartment Owners of the Project (the "By-Laws"). In the event of any inconsistency, HRS Chapter 514B, the County Zoning Ordinance, the Declaration and/or the By-Laws, as the case may be, will prevail. These rules and regulations are also commonly called our House Rules. Copies of all our Coconut Grove governing documents along with occupant registration forms can be found on our Coconut Grove website at www.coconutgrovekapalubay.com.

The primary purpose of these Rules and Regulations is to protect all apartment owners and other occupants, tenants and guests from annoyance and nuisance caused by improper use of the Project; and also to protect the reputation and desirability of the Project by providing for the maximum enjoyment, comfort and security thereof or therein.

The Board of Directors ("the Board") of the Association of Apartment Owners of the Project ("the Association") is responsible for enforcing these Rules and Regulations by various methods including but not limited to the imposition of monetary fines. Any Owner, member of the Board, the Site Manager, or the Managing Agent may recommend enforcement action for the violation of any House Rule. The Board shall ratify all enforcement actions before they are implemented. All apartment owners and other occupants, tenants, and guests shall be bound by these Rules and Regulations and by standards of reasonable conduct whether covered by these Rules and Regulations or not.

The Board may make other rules and regulations from time to time or amend the following Rules and Regulations, as it deems necessary or desirable.

THESE HOUSE RULES WERE REVISED ON DECEMBER 7, 2017. CHANGES FROM THE PRIOR RULES REVISION HAVE BEEN HIGHLIGHTED IN YELLOW.

A. PROPERTY USE.

1. Definitions:

Owner: Legal owner of the Coconut Grove unit:

- Individual owner(s) that owns the unit
- Trustee(s) of a Trust that legally owns the unit
- Owner(s) of a Corporation that legally owns the unit
- Owner(s) of a Partnership that legally owns the unit

Qualified Family Member:

- Any Trustee or Successor Trustee of a Family Trust that owns a unit
- Any Officer of a Corporation that owns a unit
- Any Member of a Family Partnership that owns a unit
- Any Individual Owner's direct children certified as qualified family members

Family: Family member or relative of the Owner (related by blood, adoption, or marriage)

Friend: Friend of the Owner

Guest: Anyone visiting a homeowner or temporary occupant while the Owner or temporary occupant is present in the unit. Note that there are special use rules for Guests covered in the "use of apartments and common areas" section below.

Temporary Occupant: Anyone who is using the unit for overnight stay without the Owner being present. There are two types of Temporary Occupants:

- Renter (including family or friends) who has paid any money or who has provided anything of value, whether by barter, trade, or exchange, for the use or occupancy of the Owner's unit.
- Family/Friend: Family or Friend of Owner who has not paid any money or provided anything of value, whether by barter, trade, or exchange for use or occupancy of the Owner's unit.

Rental Usage of a Unit: Any usage of a unit that is the result of a mutual reciprocal agreement between the Owner and their tenant/temporary Occupant that benefits both parties. These rental agreements can be either a written contract or a verbal barter exchange. Rental payment can be in the form of monetary or non-monetary consideration. Examples of non-monetary rental consideration include:

- An agreement to allow a tenant to occupy an Owner's apartment in exchange for the Owner to stay in the tenant's property.
- An agreement to allow a tenant to occupy an Owner's apartment in lieu of payment for services rendered to the owner by the tenant. For example, an Owner may owe someone \$12,000 and the tenant agrees to forgo receiving payment in exchange for use of the Owner's apartment for a week.
- An agreement to allow a tenant's employee to occupy an Owner's apartment in lieu of salary or a bonus.

2. Use of an Apartment. An Owner or their Qualified Family Members may stay overnight in a unit without having to submit either the owner or occupant temporary occupancy registration forms. In addition, an Owner or a Qualified Family Member can have friends stay overnight in a unit without having to submit either the owner or occupant temporary occupancy

registration forms as long as these guests are accompanied by an Owner or a Qualified Family Member. However, it is recommended that an Owner or their Qualified Family Members inform the Site Manager of the dates of their planned stay on property for security reasons. If neither an Owner nor a Qualified Family Member accompany their overnight quests during their stay on property and no registration forms have been submitted, the owner will be in held in violation of our vacation rental House Rule and thereby subject to the appropriate warning/fines. All apartments shall be occupied and used by the respective Owners and their friends, families, temporary occupants, and guests only for the purposes permitted under State and County law, the Declaration and the By-Laws and in compliance with the restrictions contained in the respective apartment deeds.

3. Business Usage of an Apartment. It is illegal for an owner to conduct a business out of their unit if there is any external evidence of this business. For example, any business that has clients who regularly visit the property, or spend the night in a unit, or use the common areas, or park their automobiles on the premises is strictly prohibited in Coconut Grove. This business restriction on condominium use is clearly spelled out in Section H of our Declaration. A violation of this rule shall be fined as a major violation of these House Rules.
4. Vehicle Limitations. Each unit may have a combined maximum of three vehicles that can stay on property overnight independent of where they are parked (garage, assigned parking, or anywhere else). Violation of this rule shall result in a major House Rule Violation per incident.
5. Use of Common Areas. The Owner/Qualified Family Member and their accompanied Guests (friends or family) may use the common areas (pool, spa, pavilion, exercise room, etc.). Owner's Guests (friends or family) who are not staying overnight in the unit or Owner's employees who are Maui residents who are not staying overnight in the unit shall not use the common areas unless accompanied by the Owner or a Qualified Family Member. Violation of this rule shall result in a Major House Rule Violation.

B. TEMPORARY OCCUPANCY.

1. Owner Temporary Occupancy Registration Form: All Owners who have temporary occupants use or occupy their unit without the Owner or a Qualified Family Member being present must fill out and sign the official Coconut Grove Owner Temporary Occupancy Registration Form (Revision dated July 12, 2016). The Owner must deliver this completed Registration form to the site manager prior to the arrival of their guests on property. Failure to fully complete and sign the form or to deliver it to the site manager before occupancy or fraudulently fill out the form will be penalized per the Coconut Grove House Rules Violation Section and your guests may be denied access to the Coconut Grove property. If the owner is donating the use of their unit to a charity; the name of the charity and the charity's contact information must be provided on the Owner Temporary Occupancy Registration Form along with their guest's name and contact information. The Owner is required to insure that their temporary occupant receive a current copy of the Synopsis of the Coconut Grove House Rules and a current copy of these house rules before they occupy the unit. The temporary occupant contact phone number must be either their home phone number or their personal cell phone number. It cannot be the agent's or Owner's or the unit's phone number. In

addition, the Owner is required to provide the email address of their temporary occupant(s).

2. Temporary Occupant Registration Form: All temporary occupants that are unaccompanied by an Owner or a Qualified Family Member during their stay must fully complete and sign the Temporary Occupant Registration Form (Revision dated July 12, 2016) and submit it to the Site Manager, Bruce Wright, in his drop box next to the entrance to the Pool Pavilion on the first business day after they arrive on property. Failure of an Occupant to register can result in termination of access to the property.
3. Use by Owners, Temporary Occupants, and Guests. Subject to State and County law and the terms of the Declaration, By-Laws and these House Rules an apartment Owner may lease or rent his apartment or make it available to friends, family, or guests; but the person or persons leasing, renting, visiting, or living in the apartment shall abide by the Declaration, the By-Laws, and the House Rules and Regulations.
4. Transient Vacation Rental (TVR) Rule: No rentals for a period of under 180 days (commonly referred to as transient vacation rentals or short-term rentals) are allowed unless an owner has applied for and been granted a conditional use permit by the County of Maui. Any owner conducting short-term transient vacation rentals without a conditional use permit will be fined per the House Rules Enforcement Section.
5. Long Term Rental Lease: Any rental for 180 days or more needs to be in writing as required by our Coconut Grove By-Laws. An Owner must provide the full non redacted copy of their long term rental/lease agreement to the Site Manager or the Managing Agent two weeks prior to the arrival of their renter(s)/lessee(s) on property. Said lease agreement must include the names, addresses, email addresses, and contact phone numbers of their renter(s)/lessee(s). Failure of an Owner to provide a full/non-redacted copy of their lease agreement will result in a Transient Vacation Rental Violation with same fine structure as a TVR Violation and the denial of access to the property for your long term renter(s)/lessee(s).
6. Long Term Rental Requirements: Long term rentals of 180 days or more are permitted. Owners may lease their units for long term rental no more frequently than twice in any given 360 day period independent of any circumstances. Unit leases shall not be assigned or subleased. All units shall be leased as single family dwellings as defined by the Maui County Code. Additional long term lease requirements are the following:
 - a. Lease Occupancy Limitations: The maximum occupancy of a unit for overnight stay is six adults. This maximum occupancy includes the Lessee(s) and their accompanied friends and family. The Lessee(s) and their accompanied friends and family may have a combined maximum of three vehicles stay on property overnight independent of where they are parked (unit garage, unit assigned parking, or anywhere else). Violation of this section will result in a Major House Rule violation per incident.
 - b. Occupancy other than the Lessee(s) and Lessee(s)' Friends and Family: No person other than the Lessee(s) named on a long term lease and their accompanied personal friends and family may occupy the unit during the term of the Lease. The Lessee(s) personal friends and family may not occupy the unit without the accompaniment of the Lessee(s). The only

exception to these non-lessee(s) occupancy rules is if the Lease is shortened or vacated for a valid reason in which case the owner may occupy the unit or enter into a new lease for the unit. But the shortened or vacated lease and the new lease will not be an exception to the rule limiting the number of long term leases for any 360 day period to a maximum of two. Violating this section will result in a TVR violation.

- c. Shortened or Vacated Lease Term: A long term lease will be viewed as in force for the entire contracted lease period independent of any circumstances of a Lessee(s)' shortened stay unless the Owner provides proof to the Board of an actual good faith reason for the Lessee(s) to terminate the Lease (e.g. death of a Lessee or a member of the Lessees' immediate family or the Lessee(s)' bankruptcy). In the event of a termination of a Lease before the expiration of the minimum term of ONE HUNDRED EIGHTY (180) days without proof of a valid good faith reason for the early lease termination, the Owner will be fined for a TVR violation. The termination of a long term lease for a good faith reason will not be an exception to the rule limiting the number of long term leases for any 360 day period to a maximum of two.
 - d. Sub-Dividing a Long Term Lease: A long term Lease may not be sub-divided where subsets of the lessees have exclusive use of the unit for different portions of the lease period. In the event that the named Lessees of a Lease do not occupy the unit at the same time and one or more but not all of the Lessees have exclusive use of the unit for a period of time less than 180 days while other named Lessees have exclusive use of the unit for other periods of time of less than 180 days, this arrangement will be a TVR violation. The only exception to this rule is for members of a direct family unit. For example, parents and their direct children may individually or as a subset of the family occupy the unit for different portions of the lease period.
 - e. Long Term Lease Violations: Long term Lease violations will use the TVR violation fine structure and will be calculated based on the number of days the Lessee(s) or any other persons occupied the unit before the violation occurred.
 - f. Registration Form Requirements: The Owner and their long term Lessee(s) must fully complete the two Temporary Occupant Registration Forms discussed in paragraphs 1 and 2 of this section. All conditions and restrictions that are spelled out in these paragraphs will apply to the Owner and their long term Lessee(s).
7. Site Security. Upon demand by the Site Manager, Tenants or Guests or workers on site must identify themselves and provide the unit number they are affiliated with. Unauthorized persons will be escorted off the property by the Site Manager or Kapalua Security.
8. Conduct of Temporary Occupants, Guests and Other Persons. An Owner shall be responsible for the conduct of their temporary occupants, family, friends, and guests and any of their guests. An apartment Owner shall, upon request of the Board or the Managing Agent, immediately abate and remove, at his or its expense, any structure, thing or condition that may exist with regard to the occupancy or use of his apartment by any such person or persons contrary to the intent and meaning of the provisions hereof, or, if an apartment owner is unable to control the conduct of any such person or persons to conform with the intent and meaning of the provisions hereof, such owner shall, upon request of the Site Manager, the Board or the

Managing Agent, immediately remove such person or persons from the premises, without compensation for lost rentals or profits or any other damage resulting there from.

C. NO PETS.

1. No livestock, poultry, rabbits, dogs, cats, birds or other animals or pets whatsoever shall be allowed or kept in any unit or any other part of the Project.
2. Notwithstanding the foregoing restrictions on pets or anything contained herein to the contrary, guide dogs, signal dogs, or other animals upon which disabled owners, occupants or guests depend on for assistance shall be permitted to be kept by such owners, occupants and guests in their apartments and shall be allowed to walk throughout the common elements while on a leash, provided that such animals shall at all times be accompanied by their owners while present upon the common elements. If such a guide dog, signal dog or other animal causes a nuisance or unreasonable disturbance or poses a threat to the health and safety of any owner, occupant or guest, the owner thereof will be given an opportunity to rectify the problem by measures which fall short of removal of the animal from the Project. Removal will be required only if the Site Manager or the Board reasonably determines that less drastic alternatives have been unsuccessful. If such an animal is ejected, it will nonetheless be allowed to remain at the Project for a reasonable period time while the owner thereof attempts to find a suitable replacement animal, provided that the problem is controlled to a sufficient degree that the continued presence of the animal during that time does not constitute an unreasonable imposition upon, or threat to the safety or health of, other owners, occupants or guests.
3. In no event shall the Board, the Association, the Managing Agent or the Site Manager be or be deemed to be liable for any loss, damage or injury to persons or property caused by or arising in connection with any owner's, occupants, or guest's guide dog, signal dog or other animal. By acquiring an interest in an apartment in the Project, each Owner agrees to indemnify, defend and hold harmless the Board, the Association, the Managing Agent and the Site Manager against any claim or action at law or in equity arising out of or in any way relating to such owner's or occupant's or guest's guide dog, signal dog or other animal.
4. All guide dogs, signal dogs and other animals kept anywhere on the Project must be registered immediately with the Site Manager.

D. COMMON AREAS AND ENTRANCES

1. Obstructions. The sidewalks, passages, stairways, walkways and corridors must not be obstructed or used for any other purpose other than ingress and egress.
2. Unsightliness in Windows or Passages. Laundry, tools, textile items, including towels, bedding, pillows, bathing apparel and clothing, brooms, mops, yard tools, rubbish containers, cartons, etc., shall not be placed on passages or in windows or stored openly so as to be in view from outside the building or from any other apartments or common areas.
3. Throwing Objects from Building. Nothing shall be thrown or permitted to be thrown from

windows, etc., including specifically, but without limitation, cigarettes, matches, and fireworks of any kind.

4. Entrances. Nothing shall be allowed to remain in view at front entrances of apartments except a reasonable number of shoes, slippers or other footwear, etc., as determined by the Site Manager or Board. Freestanding shelves or other containers for footwear may be kept at the entrance, but must be removed or modified by the apartment owner at the request of the Site Manager.
5. Trash Disposal. Garbage, rubbish and other trash shall be disposed of only in receptacles and areas provided therefore. Trash containing food shall be securely wrapped before being placed in a receptacle. Green waste from yard work must be disposed of in separate containers or recycled in accordance with applicable laws, ordinances, rules or regulations of the Count of Maui or any other governmental agency or authority with jurisdiction over the Project. Trash bins are for household trash only, no furniture, appliances, hot water heaters, etc. are to be placed in the trash bins.
6. Barbecuing. Outdoor cooking shall be subject to regulation by the Site Manager and/or Board and shall be conducted so as not to be offensive to any neighbor or to present any fire hazard to the exterior walls and columns. (If your neighbor is home and the BBQ smoke is rising into another unit, please respect your neighbors and stop using the BBQ. Use the BBQ at the pool.) Outdoor cooking is not permitted in courtyard areas. Outdoor cooking is permitted on lanais with the following restrictions:
 - a. BBQ's will be propane only, no charcoal briquettes or other material allowed.
 - b. BBQ when in use will be placed in an area on the lanai open to the sky, it should be placed in the designated BBQ area, and each unit type has a designated location for the BBQ.
 - c. While in use, or still hot, the BBQ must remain at least 3 feet from any wall or column.
 - d. Any BBQ that is going to be used on a covered portion of an upstairs lanai must have an approved ventilation hood.
 - e. BBQ when not in use will be stored in the approved location and covered with an appropriate fitting cover.
 - f. All BBQ's must have a copy of the BBQ rules and the designated location area to use, attached to the BBQ at all times.
 - g. Failure to follow any of the BBQ rules will be considered a major infraction and a fine will be assessed.
7. Aesthetics. No unsightliness within the public view is permitted within the Project. For this purpose, "unsightliness" includes but is not limited to the following: laundry on lines or reels; litter or trash containers except as specially provided; non-decorative gear, equipment, surfboards, paddleboards, kayaks, cans, bottles, ladders, trash, boxes, barrels, etc., stored or stowed in or on walks, lawns, street, driveways, etc.. In addition, unshaded, or improperly shaded lights that create objectionable glare are not allowed.

8. Supplies or Other Goods. No garbage cans, household or commercial supplies, excess items, or similar articles shall be placed outside any apartment area or in a place where they can be seen from outside any apartment, except, as the Site Manager shall prescribe.
9. Personal Property. No items of personal property, including baby carriages, velocipedes, bicycles, surfboards, paddleboards, kayaks, packages, boxes or crates shall be left or allowed to stand (overnight) on any of the common areas other than within the confines of the apartment or within designated storage areas. Articles of any kind left in any of the common areas or common elements overnight, including, without limitation, the parking areas or driveways, will be removed at the owner's risk and expense.
10. Street Trees and Other Landscaping. No owner, tenant or guest shall disturb, cut, trim, damage or remove any of the trees located in the landscaped areas adjacent to roadways or parking areas, nor harm, remove, disturb, walk over, walk through, or damage in any way any other plants, shrubs, groundcover or other elements of landscaping on any of the common elements of the Project (other than landscaping located within the courtyard area, if any, appurtenant to and reserved for the use of such owner's apartment). Violation of this rule will be fined as a Major House Rule Violation for damaging a common element.
11. Gardening Refuse. All gardening refuse from owner's atrium or personal landscape maintenance must be hauled by the owner or the owner's hired gardener to the Lahaina Recycle Center. Gardening refuse cannot be dumped in the Coconut Grove designated trash dumpsters (with the exception of one garbage bag per week).

E. PARKING AREAS.

1. Parking. Each owner and his tenants, invitees and guests shall park only in their garage, or the paved driveway area in front of such owner's garage (if such paved driveway area is large enough to accommodate a vehicle without encroachment upon either the roadway or the sidewalk, if any, adjacent to such roadway and without obstructing any other owner's ingress and egress to such owner's apartment, including, without limitation, such owner's garage) or the parking stall assigned to such owner's apartment or in the guest stalls designated as parking for the use of all owners above the pool building. Note that all four garages in building F (units 21-24), and two garages at building E (units 19-20) do not have enough paved driveway area in front of their garages to accommodate a parked vehicle without obstructing other owner's ingress or egress from their garage. In addition, due to the constricted roadway access next to building F; it is mandatory that building F occupants only park in their assigned parking spaces. No owner, tenant, or guest shall store (left for more than 7 days) a vehicle in the guest parking stalls above the Pool Pavilion building. Violation of this vehicle parking rule will result in a Major House Rule violation per incident.

Parking is strictly forbidden on the side of any driveway and or the street in Coconut Grove. All cars must be parked in designated parking areas. This is a safety requirement for fire department access.

2. Method of Parking. Automobiles shall be centered in parking stalls so as to prevent

crowding of adjacent stalls and/or blocking of passages.

3. Violations. Violators of parking regulations shall be subject to fines and or have their cars towed away at their own risk and expense. If the violator is a tenant, invitee or guest of any owner, the owner shall be responsible for payment of the towing charge.
4. Repairs. Extensive repairs of a motor vehicle, boat or other equipment shall not be permitted in the Project.
5. Speeding. Vehicles shall not be driven at speeds in excess of five (5) miles per hour on any driveway or in the parking areas of the Project. Drivers are expected to observe traffic and directional signals for the safety of all.
6. Garages. Garages will be used only for the parking of motor vehicles.
7. Other Use Prohibited. The parking areas (other than garages) shall not be used for recreational or storage purposes. Bicycles, tricycles, skateboards and the like shall not be ridden thereon. Trailers, boats or abandoned vehicles of any type shall not be parked or stored in the parking areas. No construction dumpsters to be left anywhere on the Coconut Grove Property overnight. No moving (shipping) containers to be left overnight on the Coconut Grove Property without the prior written permission by the Site Manager.
8. Responsibility for Damage. Damage to cars and other objects or to the common elements shall be the responsibility of the person causing the damage or the responsibility of the owner to whom the person causing the damage is associated.

F. RECREATION CENTER- GENERAL.

1. Use by Owners, Tenants, Family Members, and Guests; Assumption of Risk. Use of the Recreation Center located within the Project, consisting of the swimming pool (the "Swimming Pool"), the spa (the "spa"), the patio, containing a barbecue area (the "Patio"), the fitness room (the "Fitness Room"), the restrooms (the "Restrooms"), and the multi-purpose room and the kitchen (collectively, the "Pavilion") is limited to apartment owners, their tenants and such owners' and their tenants' families and guests. Owners, their tenants and such owners' and their tenants' families and guests use the Recreation Center at their own risk.
2. Furnishings and Equipment. Only approved furnishings and equipment are allowed within the Recreation Center. No furnishings or equipment located within the Recreation Center shall be removed from the Recreation Center or tampered with in any manner. Specifically and without limiting the generality of the foregoing, no user of the Recreation Center shall interfere in any manner with any portion of the Swimming Pool and Spa equipment, or lighting apparatus, or electrical and plumbing devices in or about the Recreation Center.
3. Personal Belongings. No personal belongings shall be left within the Recreation Center by any user thereof.

4. Audio Devices. Audio devices such as radios, Hi-Fi's, etc., may be used in the Recreation Center only if earphones are used in connection with such devices.
5. Violation of Recreation Center Rules and Regulations. In addition to any other rights that the Board, the Managing Agent or the Site Manager may have, the Board, the Managing Agent and the Site Manager shall have the right to ask anyone violating these Rules and Regulations relating to the Recreation Center to leave the Recreation Center.

G. RECREATION CENTER- SWIMMING POOL AND SPA.

1. Hours. The Swimming Pool and the Spa may be used during the hours of 8:00 a.m. and 9:00p.m. daily.
2. No Lifeguard on Duty. There is no lifeguard on duty. Anyone using the Swimming Pool or the Spa does so at their own risk. Children are not permitted in the Swimming Pool or the Spa unless accompanied by an adult. Parents and/or guardians are responsible for the safety and conduct of their children. It is strongly recommended that owners, tenants, and such owners' and tenants' family members and guests who are not competent swimmers either refrain from using the Swimming Pool or the Spa or use the Swimming Pool or the Spa accompanied by a competent and responsible swimmer.
3. No Horseplay. No diving, excessive splashing, pushing, running, screaming, shouting, or other boisterous conduct in or around the Swimming Pool or the Spa is permitted.
4. Appropriate Attire. Appropriate swimming attire must be worn in the Swimming Pool and the Spa. Bathing caps or hair bands are recommended for persons with long hair. Hairpins are not permitted in the Swimming Pool or the Spa. Diapers are not permitted in the Swimming Pool or the Spa unless protected with waterproof covering.
5. Showers Required. Any person using the Swimming Pool or the Spa shall take a shower prior to entering the Swimming Pool or the Spa.
6. No Suntan Oils. Suntan oils and similar substances shall be removed prior to entering the Swimming Pool or the Spa.
7. No Food, Drinks or Smoking. No eating, drinking or smoking is permitted within the Swimming Pool or the Spa.
8. Flotation Devices. No large flotation devices, surfboards, diving fins, or scuba equipment are permitted in the Swimming Pool or the Spa. Swimming aids and floatable devices may be used in the Swimming Pool if they are used for safety reasons and do not inconvenience or inhibit the safety of others.
9. Breakable Items. Breakable items such as glassware, ceramics, chinaware, and bottles are prohibited in or around the Swimming Pool or the Spa. Any beverage brought around the Swimming Pool or the Spa area must be in a non- breakable container (can, paper, or shatter-proof plastic).

9. Health Precautions. For health reasons, persons with infectious or communicable diseases or open wounds are not permitted in the Swimming Pool or the Spa. Spitting, spouting of water, nose blowing, or discharge of bodily wastes in the Swimming Pool or the Spa are strictly prohibited.

H. RECREATION CENTER- POOL PATIO AREA.

1. Hours. The Patio may be used during the hours of 8:00 a.m. and 9:00 p.m. daily.
2. Number of Users. Not more than ten (10) persons shall use the Patio at one time without obtaining the prior authorization of the Site Manager.
3. Use of Patio. The Patio, including without limitation, the outside tables and chairs, and the barbecue area within the Patio, will generally be available for use on a non- reservation, first come, first served basis. However, a request for use of the Patio on an exclusive basis may be accepted by the Site Manager. The use of the Swimming Pool, the Spa, the Fitness Room and the Restrooms shall be available to all owners, tenants, and such owners' and tenants' family members and guests even when a private function is taking place in the Patio.
4. Removal of Trash; Turn off Gas after Use. All trash must be removed after use of the Patio. Before leaving the Patio, users must be sure to turn off the gas, if any, within the barbecue.

I. RECREATION CENTER- FITNESS ROOM.

1. Hours. The Fitness Room may be used during the hours of 8:00 a.m. and 9:00 p.m. daily. The Fitness Room shall be locked when not in use.

J. RECREATION CENTER- POOL PAVILION.

1. Hours. The Pavilion may be reserved and used during the hours of 8:00 a.m. and 9:00p.m. daily. The Pavilion includes the BBQ area, Patio tables and chairs, the interior meeting room and kitchen. The Pavilion shall be locked when not in use.
2. Number of Users. Not more than forty (40) persons shall use the Pavilion at one time unless prior approval is requested from the Site Manager.
3. No Commercial or Political Functions. The Pavilion shall not be used for commercial or political functions.
4. Request for Use of Pavilion. Requests for use of the Pavilion must be made through the Site Manager as follows:
 - (a) The request for use of the Pavilion will be accepted only from owners with current residents' registration forms on file with the Site Manager or such owners' tenants with

current residents' registration forms on file with the Site Manager. The person requesting use of the Pavilion is hereinafter referred to as the "Responsible Resident".

- (b) The request must be accompanied by a check in the amount of \$250.00 as a security deposit (the "Deposit") for the use of the Pavilion, all or a portion of which may be retained by the Association for cleaning of the Pavilion or repairs of damage to the Pavilion necessary or appropriate as a result of the use of the Pavilion. The Deposit will be returned to the Responsible Resident by the Site Manager, less the amount of the cost of any cleaning and/or repairs, within fourteen (14) days after the date of the use of the Pavilion.
 - (c) The request for the use of the Pavilion shall not include the exclusive use of the Swimming Pool, the Spa, the Fitness Room or the Restrooms. The use of the Swimming Pool, the Spa, the Fitness Room and the Restrooms shall be available to all owners, tenants, and such owners' and tenants' family members and guests even when a private function is taking place in the Pavilion.
- 5. Cancellations. Notice of cancellation of the use of the Pavilion must be received by the Site Manager from the Responsible Resident at least twenty-four (24) hours in advance of the reserved date. If such notice is not received at least twenty-four (24) hours in advance of the reserved date, the Deposit will be forfeited to the Association.
 - 6. Furniture. No shoes or bare feet are allowed on the furniture in the Pavilion.
 - 7. Access to Swimming Pool, Spa, Fitness Room and Restrooms. Users of the Pavilion shall not prohibit or impede free access by other residents and guests to the Swimming Pool, the Spa, the Fitness Room or the Restrooms.
 - 8. Removal of Trash; Securing Pavilion after Use. If food and/or beverages are served while using the Pavilion, all trash must be removed to the trash bin located outside the Recreation Center the same day as the function. The Pavilion must be properly locked and otherwise secured by the Responsible Resident when finished.

K. NOISE AND NUISANCES.

- 1. No nuisance shall be allowed in the apartments and/or the common elements, nor shall any use or practice be allowed which is improper or offensive in the reasonable opinion of the Board or in violation of the By-Laws or these Rules and Regulations or which unreasonably interferes with or is an unreasonable annoyance to the peaceful possession or proper use of the apartment and/or the common elements by other owners or occupants.
- 2. Residents and other occupants of the apartment shall avoid unreasonably excessive noise of any kind at any time and shall not cause or permit any unreasonably disturbing noise or objectionable odors to emanate from their apartments.
- 3. Radios, TV's, Hi-Fi's, etc., in the apartments must be played at reduced volume after 10:00 p.m. and before 8:00 a.m.

4. Every owner from time to time and at all times shall perform promptly all repair, maintenance and alteration work within his apartment, the omission of which would adversely affect any common element or any other apartment, and shall be responsible for all loss and damage caused by his failure to do so.
5. All repairs of doors, sliding glass doors (if any), windows, window fixtures, and all internal installations within each apartment such as water, light, gas (if any), power, sewage, telephone, sanitation, lamps, and all other fixtures and accessories belonging to such apartment, including interior walls and partitions and the inner decorated or finished surfaces of the perimeter walls, floors and ceilings of such apartment, shall be at the owner's expense.
6. Except as otherwise provided herein, no projections shall be attached to the outside walls of any building or the exterior of any door without the prior consent in writing of the Board.
7. Every owner who performs construction/renovation of any unit will provide the association site manager and or the Management Agent a construction schedule, in writing, 30 days prior to the start of the construction. Hours of construction are 8:00am to 5:00pm Monday – Friday. No work on weekends or holidays. Any extra loud equipment i.e. Jackhammers, Saws, etc. shall not be permitted before 9:00am. All equipment, debris, supplies, etc. shall be removed from the common areas of the Project at the end of the day. No construction dumpsters or trucks filled with debris shall be left overnight on the Project.
8. Major renovation of any unit that creates noise and dust shall not be scheduled between December 15th and April 30th. Examples of major renovations includes lanai tile replacement, kitchen renovation, and bathroom renovation. Interior painting is not considered a major renovation.

M. MAINTENANCE; EMPLOYEES OF THE ASSOCIATION.

1. Every owner, occupant or guest is to do his part and to use his influence on all members of his household to do their part towards abating unsightliness within the Project to the fullest practicable extent.
2. No maintenance staff or employees of the association shall be asked by an owner, occupant, tenant or guest to leave the common elements or to perform any tasks.
3. Cleaning of individually owned apartments, including all interior windows, is the responsibility of the respective owners, occupants, tenants or guests. (Exterior window cleaning is an association responsibility).
4. Every owner, occupant or guest shall treat the Site Manager, the Managing Agent, all maintenance staff, and employees of the association with courtesy and respect at all times. A violation of this Rule shall be deemed a major violation. Remedy for this major violation shall entail a full written apology from the person violating this rule to individual that was mistreated in addition to any fines. Any concerns or complaints about the Site Manager, the Managing Agent, any maintenance staff or any employee

shall be communicated to the Site Manager, Managing Agent, or a member of the Board. Any Owner who directly or indirectly, through Owner's occupant(s) or guest(s), mistreats, bullies or causes an oppressive working condition for the Site Manager, the Managing Agent, any of the maintenance staff or any employee of the association that results in any claim against the association shall defend and indemnify the association from any damages, including attorney's fees and costs, as a result of such claim.

N. HAZARDS.

1. The common elements (other than specifically designated recreational areas, if any) shall not be used for recreational activities of any kind. Parents or legal guardians are responsible for the appropriate supervision of minors at all times.
2. Unless the Site Manager gives advance written consent in each and every instance, occupants shall not use any illumination other than electric lights, or use or permit to be brought into the buildings any flammable oils or fluids such as gasoline, kerosene, naphtha or benzene, or other explosives or other articles deemed extra hazardous to life, limb or property.
3. No activity shall be engaged in and no substance introduced into or manufactured within the buildings, which might result in violation of the law or in the cancellation of the insurance or increase in the insurance rate on the buildings.
4. No fireworks of any kind shall be ignited or used anywhere in the Project at any time

O. GENERAL RULES AND REGULATIONS.

1. The Site Manager or Managing Agent is not required to give access to apartments or buildings; provided, however, that as provided in and subject to the provisions of the By-Laws, the Site Manager or Managing Agent shall give each mortgagee of an apartment or any interest therein and its agents access through the common elements for the purpose of passage to any apartment on which such mortgagee holds a mortgage.
2. Owners, tenants and other occupants shall file their name, address and telephone number and signature with the Managing Agent and the Site Manager upon purchasing and/or taking occupancy of an apartment, and shall furnish the Managing Agent or Site Manager with such other reasonable information as shall be requested from time to time.
3. Each owner and tenant shall be responsible for the keys to locked entrances to his apartment. However, to facilitate the right of access provided by the By-Laws to the Managing Agent, the Site Manager each owner may, but shall not be required to; furnish keys to the Site Manager or the Managing Agent. If an owner or tenant desires to furnish keys to the Site Manager or the Managing Agent, such owner or tenant shall execute a release and indemnification agreement in a form provided by the Board agreeing that the owner or tenant releases the Site Manager, the Managing Agent and the Board of and from any and all liability and indemnifies and holds harmless the Site Manager, the Managing Agent, and the Board from any claims, damages or

liabilities that may be incurred by the Site Manager/Managing Agent or the Board in connection with such keys being furnished to the Site Manager or the Managing Agent. The delivery of such keys shall be at the sole risk of such owner or tenant, and the Site Manager/Managing Agent, and the Board of the Association shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting there from or connected therewith. If an owner or tenant elects not to furnish keys to the Site Manager or the Managing Agent and an emergency arises requiring a forcible entry into the apartment, the owner or tenant of the apartment shall be solely liable for all costs and expenses arising in connection with such forcible entry, including all costs of replacement of repair to any part of the apartment or common elements damaged by the forcible entry. These keys are to be used for Emergences only, i.e. Fire and or Flood. Not for lockouts or other access.

4. Each owner and tenant shall assume full responsibility for protecting his apartment, automobile(s), and the contents thereof from theft, robbery, pilferage, vandalism and other loss.
5. There shall be no waterbeds of any nature allowed in any apartment without the prior written approval of the Board. All owners and tenants who wish to install a waterbed must first furnish to the Board written evidence of adequate liability insurance coverage naming the Association as insured and must display physically to the Board or Site Manager a waterproof tank in which the waterbed will rest.
6. Toilets, sinks, and other water apparatus in the apartments or anywhere on the Project shall not be used for any purpose than those for which they were designed, nor shall any sweepings, rubbish, rags, sanitary napkins, diapers or other articles be thrown into them. Any damage anywhere resulting from misuse of any toilets, sinks or other water apparatus in an apartment shall be repaired and paid by the owner of such apartment. Any such damage resulting from misuse of any toilets, sinks or other water apparatus on the common elements (if any) shall be repaired at the direction of the Site Manager, and the cost of repair shall be paid by the person(s) responsible for such misuse unless the person(s) responsible cannot be identified, in which event the cost of repair shall be borne by all apartments owners as a common expense.
7. Each owner shall observe and perform these Rules and Regulations and ensure that their tenants and such owner's and his tenant's family members and guests also observe and comply with the Declaration, the By-Laws, and these Rules and Regulations. Owners will be responsible for their tenants' and such owners' and their tenants' family members' and guests' observance of all Rules and Regulations as set forth herein. In the event expenses are incurred due to violations of these Rules and Regulations by any such person or persons for whom an owner is responsible, the owner shall pay for such expenses, including reasonable attorneys' fees.
8. If the immediate service of the Maui Police Department, the Fire Department, the Paramedics, an Ambulance or Doctor is required, the desired agency or person should be called directly. Any emergency, particularly such emergencies as flooding, fire, and theft should be brought to the immediate attention of the Site Manager or Managing Agent.

P. ENFORCEMENT AND THE VIOLATION OF THESE RULES.

1. The Enforcement and the Reporting of Violations and Damages.

- A. Anyone observing a violation of the House Rules and Regulations should report the violation promptly to the Site Manager or a Board Member. The Site Manager will be responsible for reporting all violations of the House Rules and Regulations they observe to the Board/Managing Agent. The Board shall ratify all enforcement actions before they are implemented. All corrective actions regarding violations of the Rules and Regulations and damages to the common elements will be enforced by the Site Manager or the Board/Managing Agent.
 - B. Damages to common elements shall be surveyed by the Site Manager or the Managing Agent at the direction of the Board and the cost of repair or replacement and any legal fees incurred may be assessed by the Board against the person or persons responsible, including, but not limited to, any owner for damages caused directly or indirectly by his tenants or such owner's or his tenant's family member or guests.
 - C. All warnings and extraneous fees & fines will be ratified by the Board before they are assessed to the Owner.
2. The Violation of any of These Rules and Regulations Shall Give the Board, the Managing Agent or the Site Manager the Right:
- A. TO ENTER THE APARTMENT IN WHICH, OR AS TO WHICH, SUCH VIOLATION OR BREACH EXISTS AND TO SUMMARILY ABATE AND REMOVE, AT THE RISK AND EXPENSE OF THE DEFAULTING OWNER (WHETHER OR NOT CAUSED BY THE OWNER OR BY ANY PERSON FOR WHOSE CONDUCT THE OWNER MAY BE RESPONSIBLE), ANY STRUCTURE, THING OR CONDITION THAT MAY EXIST THEREIN CONTRARY TO THE INTENT AND MEANING OF THE PROVISIONS HEREOF, AND THE BOARD OR THE MANAGING AGENT SHALL NOT THEREBY BE DEEMED GUILTY IN ANY MANNER OF TRESPASS; AND OR
 - B. TO ENJOIN, ABATE OR REMEDY BY APPROPRIATE LEGAL PROCEEDINGS, EITHER AT LAW OR IN EQUITY, THE CONTINUANCE OF ANY SUCH BREACH, AND ALL COSTS THEREOF INCLUDING ATTORNEYS' FEES, SHALL BE BORNE BY THE DEFAULTING OWNER (WHETHER OR NOT CAUSED BY THE OWNER OR BY ANY PERSON FOR WHOSE CONDUCT THE OWNER MY BE RESPONSIBLE). SUCH LEGAL REMEDIES SHALL INCLUDE WARNINGS, FINES, LIENS, AND INJUNCTIONS THAT MAY BE UTILIZED AS ENFORCEMENT TOOLS.
 - C. TO ASSESS FINES PURSUANT TO ARTICLE IX, SECTION 2 OF THE BY-LAWS. Owners assessed fines will be afforded the right to have a hearing pursuant to Article IX, Section 2. A Major Violation includes one that results in physical damage and/or unauthorized alterations and modifications to the common elements and/or apartments." Unless otherwise specified in these House Rules, a Major Violation includes any violation of the "Use of Project" section of the By-Laws with the exception of the transient vacation rental rule which has its own fines for violation set out below.
 - D. PURSUANT TO AMENDED BY-LAWS RELATING TO UNLAWFUL CONDUCT

ON THE PROPERTY. Any owner, their guests, or their tenants performing unlawful acts will be reported to the appropriate authorities by the Coconut Grove AOA Board/Management.

- E. Notification of warnings and fines for violation of house rules will be performed by all three methods listed below to insure that the Board and the Managing Agent have made all reasonable attempts to notify a homeowner of a violation. The Board and Managing Agent will not be held accountable if a homeowner claims that they have not received a notice of violation. All Notifications of violation will be considered valid even if the homeowner claims to have not received them or if the homeowner has not signed the return receipt.
 - i. USPS Certified letter with Return Receipt Requested
 - ii. USPS First Class letter with tracking number
 - iii. Email with confirmation of opening the message
- F. Notification of violations under prior versions of these house rules will count as prior violations under the new house rules (the violation clock will not reset under a new version of the house rules). For example, if a first violation occurred under a prior version of the house rules; the next violation will count as a second violation under the new house rules.
- G. A proposal to forgive a House Rule violation requires the approval of the majority of the Coconut Grove Homeowner's Association Board. No single board member or the Managing Agent or the Site Manager is allowed to forgive any House Rule violation.
- H. Fines for major violations:
 - i. First notice of violation: \$1000
 - ii. Second notice of violation: \$5,000
 - iii. Third or more notice of violation: \$10,000
 - a. If not remedied within 20 days: an additional \$2000;
 - b. If not remedied in next 20 days: an additional \$3000;
 - c. For each 20 day period following without remedy: an additional \$5000.
- I. Fines for Violating Transient Vacation (TVR) Rental Rule (No rentals for a period of under 180 days are allowed unless an owner has applied for and been granted a conditional use permit by the County of Maui.). Note that long term lease violations will result in the same fine structure as TVR violations that are fined under this schedule.
 - i. First violation: \$10,000 or \$10,000 per week of violation whichever is larger
 - ii. Second violation: \$20,000 or \$20,000 per week of violation whichever is larger
 - iii. Third violation: \$30,000 or \$30,000 per week of violation whichever is

larger

- iv. Subsequent violations: \$30,000 or \$30,000 per week of violation whichever is larger

J. Fines for Violating the Temporary Occupancy Registration Rules:

Failure of an Owner to fully complete and sign the Owner Temporary Occupancy Registration Form (revision dated February 16, 2015) correctly or not deliver it to the site manager two weeks before the Occupant occupies the unit:

- i. First violation: warning letter
- ii. If not remedied within 20 days: An additional \$2,000 for every 20 days without remedy
- iii. Second violation: \$1,000
- iv. If not remedied within 20 days: An additional \$5,000 for every 20 days without remedy
- v. Any subsequent violation: \$5,000
- vi. If not remedied within 20 days: An additional \$5,000 for every 20 days without remedy

Fraudulently filling out the Owner Temporary Occupancy Registration Form:

- i. First violation: \$5,000
- ii. Second violation: \$10,000
- iii. Any subsequent violation: \$20,000

K. Fines for an owner who fails to provide a copy of their long term rental/lease agreement with the name(s), address(es), email address(es), and contact phone number(s) of their renter(s) to the Site Manager or the Managing Agent 2 weeks prior to the arrival of their tenant(s) at Coconut Grove:

- i. First violation: \$5,000
- ii. Second violation: \$10,000
- iii. Third violation and subsequent violations: \$20,000

L. All other violations are considered minor violations of By-Laws and/or Rules and Regulations. There are two levels of fines for minor violations as listed below.

Fines for minor violations: Safety related issues; e.g. open fires, charcoal barbeque use, storage of flammable liquids, items on railings and posts, and unauthorized use of fireworks.

- i. First violation: Warning Letter

- ii. Second violation or if not remedied in 5 days: \$250
- iii. Third violation or if not remedied in 10 days: \$500
- iv. For each consecutive violation or each 10 day period without compliance: \$500

All other minor violations:

- i. First violation: Warning Letter
- ii. Second violation or if not remedied in 5 days: \$50
- iii. Third violation or if not remedied in 10 days: \$100
- iv. For each consecutive violation or each 10 day period without compliance: \$100

Q. AMENDMENTS.

These Rules and Regulations may be amended only by a majority of the Board at a duly called meeting of the Board of Directors.