

## **RULES AND REGULATIONS FOR HONUAI KAI**

### **(HOUSE RULES) Revised 05/03/17**

These rules and regulations (these "Rules") have been duly adopted by the Board of Directors (the "Board") of the Honua Kai Condominium Association, Inc. (the "Association") in accordance with Section 10.01 of the Amended and Restated Bylaws of the Honua Kai Condominium Association, Inc. filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii (the "Office") as Document No. 3515522 and recorded in the Bureau of Conveyances of the State of Hawaii (the "Bureau") as Document No. 2006-21 1551 (as the same may be amended, supplemented, or modified from time to time, the "Bylaws"). These Rules are intended to promote harmonious living and maximize enjoyment of Honua Kai Condominium (the "Condominium") and to protect all Occupants (as such term is defined herein below) of the Condominium from annoyance or nuisance caused by improper or unreasonable conduct or use of the Condominium Units and common areas of the Condominium by Occupants.

The responsibility for enforcement of these Rules may be delegated to the Managing Agent by the Board. All Occupants shall strictly comply with these Rules and the covenants, conditions, and restrictions set forth in the Amended and Restated Declaration of Condominium Property Regime of Honua Kai filed in the Office as Document No. 3515521 and recorded in the Bureau as Document No. 2006-211550 (as the same may be amended, supplemented, or modified from time to time, the "Declaration") and the Bylaws and shall be bound by standards of reasonable conduct whether or not expressly covered by these Rules, the Declaration, or the Bylaws.

#### **SECTION I. DEFINITIONS**

1. The term "Condominium Unit" shall mean and include each Residential and Commercial Condominium Unit located within the Condominium and any Limited Common Elements appurtenant to such Condominium Unit, as designated and described in the Declaration, unless otherwise specifically qualified herein.
2. The term "Motor Vehicle" shall mean and include any vehicle powered by engine or motor, including, but not limited to automobiles, motorcycles, and motor scooters.
3. The term "Premises" shall mean the physical premises on which the Honua Kai condominium project is located, including all of the buildings and Condominium Units therein, all of the land thereof, all common areas, and all other improvements, equipment, apparatus, fixtures, and articles placed or installed in or on the land and buildings.
4. The term "Occupant" or "Occupants" and any pronoun used in place thereof shall mean and include any Owner of any Residential Condominium Unit in the Condominium, members of the Owner's family, and tenants, licensees, and invitees of said Owner, and any Owner of any Commercial Condominium Unit in the Condominium and any tenants, employees, independent contractors, suppliers, and customers of said Owner, and any other person who may in any manner use the Condominium.

5. The term "Recreational Facilities" shall include the fitness room, the swimming pools, and any other Recreational Facility located on the Premises and available for use by Occupants.
6. The term "Third-Party Rental Managers" shall mean property managers not affiliated with the Declarant who have been hired by Owners to rent out the Owners' Condominium Units.
7. The term "Vendor" shall mean the suppliers and vendors of the Owners of Commercial Condominium Units.
8. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided such terms in the Declaration.

## SECTION II. CONDOMINIUM UNITS

1. Each Occupant shall at all times keep his/her Condominium Unit in good order and condition and observe and perform all laws, ordinances, rules, and regulations applicable to the use of the Condominium and his/her Condominium Unit now or hereafter made by any governmental authority or the Board.
2. No Occupant shall make or suffer any strip or waste or unlawful, improper, or offensive use of his/her Condominium Unit.
3. No clothes, towels, garments, rugs, or other objects shall be hung on clotheslines or from the lanai or garden area furniture, railings or walls, doorways, windows, or facades of the Residential Condominium Units in such a manner as to be in view of persons outside the building. No shoes, flip-flops, slippers, sandals, dry cleaning, or other objects shall be allowed to remain in view at the front entrance of any Residential Condominium Unit.
4. Lanais or garden areas of Residential Condominium Units shall not be used for storage of sports and play equipment, surplus cartons, boxes, or any other belongings. Any furniture, plants, or other articles which, in the opinion of the Board, are unsightly, shall be removed from and kept off of such lanais or garden areas upon request by the Board. Plants that protrude over such lanai or garden area railing or block the railing and view shall be prohibited. No artwork (e.g., posters, paintings) or reflective surfaces (e.g., mirrors) shall be permitted on the lanai walls or garden areas of Residential Condominium Units.
5. All curtains, drapery, shutters, blinds and window coverings installed on any window of a Residential Condominium Unit must be white in color as viewed from outside the building to establish and maintain aesthetic uniformity to the exterior appearance of the Condominium.
6. Other than those installed by the Declarant (or replacements thereof), no barbecue grills of any type may be used in the common areas or on or within Residential Condominium Units or their lanais or garden areas. Exceptions may be made for special events with the prior written approval of the Managing Agent.

7. No sun shades, roller shades, Roman shades, sun screens, woven (wood or bamboo) shades or other shades of any type shall be permitted to be affixed to the lanai walls or lanai ceiling of any Residential Condominium Unit.
8. No flags or political signage are permitted to be displayed in a window, on a lanai or garden area, or anywhere else in a Residential Condominium Unit in a manner as to be in view of persons outside the building.
9. No rugs, draperies, or other objects shall be dusted, beaten, or shaken from the windows or on the lanais, garden areas, stairways, or hallways of the Premises.
10. When watering plants on the lanai or cleaning the lanai, the Occupant of the Residential Condominium Unit shall not cause or otherwise allow water to drain out of the weep hole of the lanai.
11. Dust, rubbish or litter shall not be swept or thrown from any Condominium Unit into the hallways or any exterior part of the Premises.
12. Nothing shall be allowed, done, or kept in any Condominium Unit or common areas that would overload or impair the floors, walls, or roof of the Premises, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association.
13. Owners of Residential Condominium Units will not be permitted to display holiday decorations in their windows, lanais and garden areas or anywhere else where they will be in view of persons outside the building.
14. No key lockboxes, key cabinets or other key storage accessory shall be allowed to be attached, affixed or placed on or near the outside of the door or entrance area of any Residential Condominium Unit.
15. In the event any residential condominium unit is to be unoccupied for more than 30 days, the owner of such unit shall ensure that the water feed valve for such unit is closed during the period that the unit is unoccupied.
16. In the event any residential condominium unit is to be unoccupied for more than 30 days, the owner of such unit shall ensure that all gas shutoff valves for any gas appliances located within such unit or with such units appurtenant limited common element is closed during the period when that unit is unoccupied.

### SECTION III. COMMON AREAS

1. The Limited Common Elements appurtenant to the Commercial Condominium Units may be used for any purposes permitted under Declaration. All other common areas of the premises shall be used only for their respective purposes for which they were intended as designed or as set forth in the Declaration.

2. No Occupant shall place, store, or maintain on walkways, roadways, grounds, or other common areas any furniture, packages, or objects of any kind or otherwise obstruct transit through such common areas.
3. No recreational activities shall be permitted in any portion of the Premises except in those areas expressly designated for such activities by the Managing Agent.
4. No Occupant shall make or suffer any strip or waste or unlawful, improper, or offensive use of the Premises or alter or remove any furniture, furnishings, or equipment from the common areas.
5. When moving furniture or other large objects, Occupants must reserve a date and time with the Managing Agent, who will schedule the use of one of the elevators at such times and in such manner as will cause the least inconvenience and disruption to others. Moving hours for Residential Condominium Units are from 8:00 a.m. through 4:30 p.m. on Mondays through Saturdays. Commercial Condominium Units must reserve a date for moving with the Managing Agent, and moving times shall be scheduled on a case- by-case basis in order to minimize inconvenience and disruption to others during peak hours.
6. Motor Vehicles, boats, surfboards, or unauthorized equipment shall not be repaired by Occupants in the Premises.
7. The Occupants of Commercial Condominium Units shall keep their respective outdoor Limited Common Element areas (as identified in the Declaration and as shown on the Map) in strictly clean and sanitary condition and in a condition that is consistent with a first class commercial operation, and shall on a daily basis remove all trash from such outdoor Limited Common Element areas and shall periodically power-wash or use other effective cleaning measures for their outdoor Limited Common Element areas.
8. Subject to the rights of the owners of the Commercial Section under 4.04 of the Declaration, no occupant may within the common elements of the condominium vend, pedal or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever or distribute any circular, booklet, handbill, placard or other material or solicit membership in any organization, group, association or contribution for any purpose except as expressly provided in paragraph one through two above.

#### SECTION IV. REFUSE

1. No refuse, garbage, or trash of any kind shall be thrown, placed, or kept on any common areas of the Premises outside of the disposal facilities provided for such purposes.
2. All garbage must be wrapped or bagged before being placed in the trash chute.

## SECTION V. PARKING

1. Parking in areas of the Premises not expressly designated for parking is prohibited.
2. Motor Vehicles should be centered in parking spaces so as to prevent crowding of adjacent spaces and/or blocking of passages. No Motor Vehicle shall be parked so that any portion thereof shall protrude from the parking stall.
3. All persons shall exercise due caution in parking, loading, or unloading within the parking areas to avoid damage to other Motor Vehicles or property and injury to other persons.
4. The parking areas shall not be used for playing or loitering.
5. Any vehicle parked illegally, in violation of these Rules or the Declaration, or in a location that blocks any other properly parked vehicle, will be towed at the expense of the owner of such vehicle. Each Owner is responsible for notifying its Guests, including tenants of the Owner's Unit, of the Association's right to cause any such improperly parked vehicle to be towed at the vehicle owner's expense. An Owner whose vehicle, or whose Occupant's vehicle, is towed or damaged as a result of violation of this Section V shall indemnify and hold harmless the Association from all liability, damage or loss resulting therefrom.
6. No personal property (except for Motor Vehicles) shall be stored in or on the Limited Common Element parking stalls appurtenant to any Residential Condominium Unit.
7. Occupants shall be responsible for maintaining their respective parking stalls in a clean condition, free from oil drips or other discharge from their vehicles. From time to time and upon giving prior written notice and opportunity to cure, the Association may clean any parking stall in the garage.
8. Occupants of the Residential Condominium Units shall register their vehicles with the office of the Managing Agent. Tenants, employees, independent contractors, and suppliers of any Commercial Condominium Units shall be (i) permitted to park in any unassigned surface parking stalls on the Premises and any assigned parking stall assigned to such Commercial Condominium Unit and (ii) may be required to register their vehicles with the office of the Managing Agent. Customers of the Commercial Condominium Units shall be (i) permitted to park in any unassigned parking stalls on the Premises, except in the basement parking lot underneath the Hokulani and Konea Enclave buildings, and (ii) may be subject to a time restriction enforced by the Managing Agent provided the time restriction is no less than three (3) hours.
9. The existing rules continue to apply. A parking pass will be issued, which is to be placed on the dashboard and be in plain sight at all times. Associates of Commercial Condo Units and ORC Managers and vendors will park in the service lots in the spaces furthest from the building, leaving spaces closest for guests and patrons. Short term parking is available in the service lots as available. No overnight parking is allowed for Associates or Outside Rental Company Managers or vendors.

SECTION VI. PETS

1. No livestock, poultry, or other animals whatsoever shall be allowed or kept on any part of the Premises, except that dogs, cats, or other usual common household pets ("pet"), such as a guinea pig, a rabbit, fishes or birds may be kept by Occupants in their respective Condominium Units subject to the conditions and restrictions contained herein, but shall not be kept, bred, or used therein for any commercial purpose.
  - A. No animal described as pests under H.R.S. §5 141-2, 150A-2, 150A-5, or 150A-6, may be kept on the Premises.
  - B. Every Occupant keeping a pet or pets shall register each pet with the Managing Agent, who shall maintain a register of all pets kept on the Premises.
2. Notwithstanding any provision to the contrary contained herein, certified guide dogs and signal dogs (as identified below) and other such animals specially trained to assist handicapped individuals (hereinafter collectively referred to as "specially trained animals") shall be permitted on the Premises subject to the following restrictions:
  - A. Such specially trained animals shall not be kept, bred, or used on the Premises for any commercial purpose;
  - B. Such specially trained animals shall be permitted on the Common Elements (including, but not limited to the recreation areas), provided the specialty trained animals are on a leash which keeps the pet within three (3) feet of its handler's feet or otherwise confined in a manner acceptable to the Board.
3. Any pet or specially trained animal causing a nuisance or unreasonable disturbance to any Occupant, or that is involved in contact with any Occupant or other pet in which injury occurs, shall be permanently removed from the Premises promptly upon notice given by the Board or the Managing Agent; provided, however, that any such notice given with respect to a specially trained animal shall provide that before such animal must be removed, its owner shall have a reasonable time to acquire a replacement specially trained animal unless the Board determines that such animal poses an imminent serious threat of physical harm to other Occupants. A tenant of a Condominium Unit must obtain the written consent of the Condominium Unit Owner to keep a pet or pets in the Condominium Unit. Pets of tenants must also be registered with the Managing Agent. Notwithstanding such consent, a tenant may keep only those types of pets which may be kept by a Condominium Unit Owner. Any Occupant who keeps a pet or pets pursuant to these Rules may, upon the death of the animal, replace the animal with another and continue to do so for as long as the Occupant continues to reside in the Condominium Unit or another Condominium Unit on the Premises

subject to these same Rules. The Board may from time to time promulgate such additional rules and regulations regarding the continued keeping of pets and specially trained animals as the circumstances may require or the Board may deem advisable.

4. The term "guide dog" shall mean "any dog individually trained by a licensed guide dog trainer for guiding a blind person by means of a harness attached to the dog and rigid handle grasped by the person" as defined in H.R.S. §515-3(8), as the same may be amended from time to time.
5. The term "signal dog" shall mean "any dog trained to alert a deaf person to intruders or sounds," as defined in H.R.S. §515-3(8), as the same may be amended from time to time.
6. Each owner of a pet and the Owner of the Condominium Unit in which such pet is kept shall indemnify and hold the Association and the Board harmless from and against any and all claims, liabilities, or damages arising out of the presence of such pet in the Condominium Unit and the Premises.
7. Except when in transit, pets (other than specially trained animals) shall not be allowed on any common area. At no time, will pets be allowed on the pool decks or in any Commercial Condominium Unit, even in transit. Any pet (other than a specially trained animal) in transit through the common areas must be on a leash which keeps the pet within three (3) feet of its handler's feet or otherwise confined in a manner acceptable to the Board. Pets shall not be allowed to come into contact with persons other than the handlers thereof, except as permitted by such other persons.
8. Any damage to the Premises caused by a pet shall be the full responsibility of the owner of the pet and the Owner of the Condominium Unit in which the pet is kept and the costs of repair or replacement shall be specially assessed to such person(s).
9. Owners of pets shall be responsible for immediately picking up and cleaning up after their pets. Pet waste and trash (sand, litter paper, etc.) shall be wrapped with extra care.

#### SECTION VII. NOISE

1. Occupants of Residential Condominium Units shall exercise care in the use of musical instruments (e.g., radios, televisions, stereos, amplifiers, etc.) that may disturb other Occupants.
2. Occupants are prohibited from performing construction activity within their respective Condominium Units except during the following hours: Monday through Saturday: 8:00 a.m. through 5:00 p.m. Exceptions for Commercial Condominium Units shall be made on a case-by-case basis by the Managing Agent.
3. Occupants of Residential Condominium Units shall maintain quiet hours between 10:00 p.m. and 7:00 a.m. on weekdays (Sunday through Thursday nights) and midnight to 8:00 a.m. on weekends (Friday and Saturday nights).

4. Occupants of Commercial Condominium Units shall maintain quiet hours between 12 a.m. and 6:00 a.m. daily; provided, however, in respect of the outdoor space of the Restaurant Condominium Unit, no live music or outdoor speakers will be permitted between the hours of 10 p.m. and 6:00 a.m. daily.

#### SECTION VIII. GENERAL

1. No Occupant shall use or permit to be brought into or stored in the building or common areas (including, but not limited to the storage rooms and storage lockers located in the parking structure) any inflammable or combustible substances such as gasoline, kerosene, gunpowder, fireworks, or other explosives or anything deemed highly dangerous or hazardous to life, limb, or property. Notwithstanding the prior sentence, Owners of Commercial Condominium Units may store in their Condominium Units and Limited Common Elements propane, sterno, oil and other combustible substances used in the normal course of their business, provided, however, that Owners of Commercial Condominium Units fulfill all prudent business practices with respect to proper storage of such combustible substances.
2. Condominium Unit Owners shall observe and adhere to these Rules and ensure that all Occupants adhere to these Rules. Residential Condominium Unit owners are responsible at all times for the reasonable conduct and decorum of their family members, tenants, guests, licensees, and invitees on the Premises, and Commercial Condominium Unit owners shall be responsible at all times for the conduct of their employees, independent contractors, and Vendors while on the Premises.
3. Damage to the buildings or common areas by any Occupant of a Condominium Unit shall be the responsibility of the Occupant and Owner of such Condominium Unit and such damage shall be repaired by the expense of the Occupant and Owner responsible. Owners of Commercial Condominium Units shall be responsible for damage to the buildings or common areas by employees, independent contractors and suppliers of the Commercial Condominium Unit. Commercial Condominium Unit Owners shall be responsible for their customers while in their Commercial Condominium Unit, or appurtenant Limited Common Elements under their control.
4. Waterbeds of any nature are prohibited on the Premises.
5. Climbing of walls, trees, fences and other Common Elements other than the Recreational Facilities expressly designed for climbing is prohibited.
6. Use of fireworks of any kind anywhere on the Premises is prohibited.
7. Bell and Valet will be available as a service to all Owners and guests of the Association.



SECTION IX. PROPERTY MANAGER AND HOUSEKEEPING RULES AND STANDARD OPERATING PROCEDURE

ALL OWNERS AND/OR PROPERTY MANAGERS THAT PROVIDE HOUSEKEEPING AND/OR SUBCONTRACT HOUSEKEEPING SERVICES (EACH "CLEANING STAFF") ARE RESPONSIBLE FOR THEIR HOUSEKEEPING STAFF AND THEIR COMPLIANCE WITH THE RULES SET FORTH ON THIS PROPERTY MANAGER AND HOUSEKEEPING RULES AND STANDARD OPERATING PROCEDURE ("SOP").

The Owner and/or Property Managers are fully responsible for obtaining, providing and reviewing all Association rules with Cleaning Staff prior to conducting business on property. The Owner and/or Property Managers shall not permit Cleaning Staff to operate at the Project without providing all the requisite information and certificates including in this SOP. Failure to comply with the SOP can result in penalties, including revocation of the privilege to operate at the Project.

1. All Cleaning Staff must wear approved uniforms with a visible company logo while on property at all times. Cleaning staff, their employees and vendors personal appearance will at all times be consistent with the Four Diamond standard (the "Operating Standard").
  - a. Personnel is expected to arrive in approved uniform as described above. Changing in the parking lot is not permitted.
2. All Cleaning Staff shall comply with all applicable federal, state and local laws including but not limited to immigration and workers compensation, OSHA and Fire and Safety. The Owner and/or Property Manager shall provide verification upon request to the Association as to their compliance annually and upon renewal.
3. Cleaning Staff shall comply with all applicable insurance requirements as set forth by the Association and attached hereto as *Exhibit A*. The Owner and/or Property Manager shall provide a Certificate of Insurance to the Association as to their compliance annually and upon renewal.
4. Access to and departure from the Project for Cleaning Staff shall be via the Security Office at the staff entrance Salto Hotspots. The Property Manager notifies Security to issue Salto Master Key for Cleaning Staff.
5. Cleaning Staff will only use the service elevators and are prohibited from using the public elevators unless personally escorting a rental guest to a unit.
6. Cleaning Staff shall be required to use pre-approved carts; 6190 Compact, 6192 Compact, 9T76 Compact, 9T19 Full-size Rubbermaid Housekeeping Cart, 1881749 Collapsible X-Cart (all sizes), Executive Quick Cart (all sizes), or the current IHKHM cart. All other carts are to be submitted to the BGDRC for approval. All approved carts must have soft rubber wheels. The specifications of such approved carts are attached hereto as *Exhibit B* (the "Approved Cart").
7. Access to the Residential Condominium Unit by Cleaning Staff for the purpose of cleaning the Residential Condominium Unit shall be granted entrance no earlier than 8:00 am and exiting no later than 9:00 pm, Monday through Sunday.

8. Unless authorized by the governing documents of the Association, Cleaning Staff shall not leave trolleys, trash, buckets, linen or other items and equipment unattended in common areas or limited common areas at any time.
9. The Owner and/or Property Manager shall provide the Association with copies of all SDS (Safety Data Sheets) for cleaning products used by all Cleaning Staff on property annually and before any new product is used. The SDS sheets will be kept on file in the security office filed by property manager/cleaner.
  - a. All chemicals must be clearly labeled. (e.g. Clear bottles must be labeled with contents)
10. Prohibited Items: Bleach shall not be used at the Project except to remove staining on grout and specialized cleaning to remove bacteria. In no circumstances, should a bleach product be used with a mop. Care must be taken when transporting bleach products and tools used with bleach over the common elements.
11. Association personnel may question cleaning staff or inspect their cleaning material from time to time to ensure compliance with these rules.
12. Loading docks at Hokulani and Konea shall be used for dropping off/picking up supplies and personnel.
  - a. A time limit of 20 minutes will be observed in this area.
13. Cleaning Staff shall not walk thru landscaped areas, especially between the parking lot and driveways. No walking allowed down the ramp leading to basement parking.
14. The Association's House Rules prohibits smoking anywhere inside the building structure or exterior of the building. Designated smoking areas for staff are located at the loading dock of each Enclave.
15. Parking
  - a. Personnel must use the gravel lot parking area at Hokulani to park vehicles or stalls along the belt road and Konea surface lot (this is subject to change).
  - b. No personnel vehicles will be allowed to park in the handicap stalls unless vehicle has handicap license plates or placard on review mirror.
  - c. No personnel vehicles allowed in the underground parking garage unless authorized.

## SECTION X. OPEN HOUSE SIGNAGE

No "Open House" signage including temporary signage will be permitted on the property.

## SECTION XI. RECREATIONAL FACILITIES

1. The swimming pools may be used between the hours of 8:00 a.m. and 10:00 p.m. daily. The Hokulani pool is reserved for quiet lap swim only between the hours of 6 a.m. and 8 a.m. The upper Konea pool is reserved for the "Quiet Enjoyment" of Owners and Guests. No amplified music or other sounds shall be permitted; headphones are required. Users must refrain from rowdy games, roughhousing and other loud and/or disruptive behavior.
2. Swimming is permitted only in appropriate bathing attire. Nude sunbathing is prohibited.
3. There will be no lifeguard at the pool. Therefore, anyone using the swimming pools does so at their own risk and is fully responsible for his/her own safety. Parents are responsible for their children's safety at the swimming pools and all other Recreational Facilities and common areas.
4. Pool deck furniture owned by the Association, including loungers, chairs, tables, and umbrellas, will not be permitted on the beach.
5. At no time shall any beach furniture be allowed on or about the sand dunes within the Setback Area. "Setback Area" means the one hundred fifty (150) foot setback shoreline area described in that certain Unilateral and Irrevocable Declaration of Perpetual Rights and Uses and Perpetual Restrictions (North Beach Shoreline Setback Area) recorded on January 13, 1999, in the Bureau as Document No. 99-005138, and in Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2513420, as amended, by that certain instrument recorded on December 6, 2000 in the Bureau, as Document No. 2000-170916 and in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2668965.
6. Showering before entering the swimming pools is required. All suntan oil, dirt, and other such materials must be removed before entering the swimming pools. Persons having open sores or wounds or communicable diseases are not allowed in the swimming pools. Spitting, urinating, and blowing one's nose in the swimming pools are strictly prohibited. Running, jumping off walls, and horseplay are not permitted in the swimming pools, fitness room, and adjacent areas. Splashing of water other than that accompanying normal swimming is not permitted.
7. No glass items of any kind will be permitted near the swimming pools or fitness room. All beverages must be contained in non-glass containers. Diving equipment, boogie boards, surfboards and similar items shall be not be permitted in the swimming pools. Inflatables are permitted in pools excluding the Konea Quiet pool. The introduction of sand, rock, or other foreign matter in the swimming pools is strictly prohibited and will result in immediate eviction therefrom.

8. The general common element areas, including, without limitation, the pool areas and barbecue areas may not be reserved for private parties.
9. All persons shall comply with the requests of the HKCA Personnel with respect to matters of personal conduct in and about the swimming pools and fitness room. The employees and security personnel of the Association are authorized to require any person using any of the Recreational Facilities to identify himself or herself by name and Condominium Unit number and, if a guest, to give the name and Condominium Unit number of the host Occupant and to confirm, if required, the physical presence of the Condominium Unit Owner or resident acting as host.
10. Fitness room will be open 24 hours daily for Owners and Guests only. A responsible adult must accompany persons under sixteen (16) years of age at all times when using the fitness room and ensure that the equipment is being properly used at all times. No glass or alcoholic beverages are permitted in the fitness room. Persons having open sores or wounds or communicable diseases are not permitted in the fitness room. Appropriate attire and footwear are required (no open toed footwear); no wet bathing suits or bare feet allowed. If a person informs another that they are waiting to use an exercise machine, the person on the machine will complete their workout within twenty (20) minutes (after being informed of the other person's desire to use the same machine). The facility is unsupervised – use at your own risk.
11. Persons who are intoxicated, inebriated, or are engaged in disruptive behavior or activities (e.g., constant yelling, abusive language to others) are strictly prohibited from the swimming pool areas, fitness room, or other common areas and may result in immediate eviction therefrom.
12. Swimmers must dry themselves before leaving the swimming pool areas.
13. Children under twelve (12) years of age must be supervised by a responsible adult at all times when using the swimming pools and/or jacuzzi.
14. All persons using any of the Recreational Facilities are required to exercise due care to preserve the functionality and appearance of said facilities. All trash and personal belongings must be removed after use of any Recreational Facility. The chairs or umbrellas, if any, on the recreation deck should be returned to their original positions/locations to ensure a neat and orderly appearance. All Occupants acknowledge and agree that the Managing Agent may issue rules governing the use of the Recreation Facilities which are not inconsistent with these Rules.
15. Eating, drinking of beverages, and picnicking shall be allowed in designated swimming pool areas and open lawn areas only. The purchase and consumption of alcoholic beverages shall be in conformance with the liquor licenses affecting the property. Alcoholic beverages in the pool and open lawn areas, excluding the north and south BBQ areas, may only be purchased from entity that holds the liquor license for the area which, as of the effective date of these rules is Duke's Maui, LLC dba Duke's Beach House which operates out of the

Restaurant Unit. The use of hibachis, barbeques grills, and other open-fire cooking equipment are strictly prohibited in all areas.

16. Coolers are allowed in the pool area with the exception of glass and alcohol in coolers, which are prohibited. All coolers are subject to inspection.
17. Anyone violating these rules may be asked by the security personnel for the Premises to leave the area.

#### SECTION XII. EXPENSES OF ENFORCEMENT

Every Occupant shall pay to the Association promptly on demand all costs and expenses including reasonable attorneys' fees incurred by or on behalf of the Association in enforcing any provisions of the Declaration, Bylaws, or these Rules against such person.

#### SECTION XIII. FINES

1. The violation of the Declaration, the Bylaws, or any of these Rules by an Occupant shall give the Association, through the Board, the Managing Agent or the Managing Agent, the right, in addition to any other remedies, to levy a fine against the Owner of the Condominium Unit of the responsible Occupant. Fines duly imposed but unpaid shall constitute a lien on the Owner's Condominium Unit that may be foreclosed upon in like manner as a lien for unpaid assessments to collect the unpaid amount. The Association also has the right to pursue any action to recover a money judgment for any unpaid fines without foreclosing or waiving the lien.
2. The fine for any violation shall be as follows:
  - A. First offense - written citation with a copy of said citation being sent to the Condominium Unit Owner if the offender is not the Condominium Unit Owner. The citation shall state the date on which the charges contained in the citation shall be heard. Such hearing shall be not less than fifteen (15) days after the date the citation is provided to the Owner.
  - B. Second offense - written citation and \$50.00 fine, which will be assessed against the Condominium Unit Owner. The citation shall state the date on which the charges contained in the citation shall be heard. Such hearing shall be not less than fifteen (15) days after the date the citation is provided to the Owner.
  - C. Third offense - written citation and \$100.00 fine, which will be assessed against the Condominium Unit Owner. The citation shall state the date on which the charges contained in the citation shall be heard. Such hearing shall be not less than fifteen (15) days after the date the citation is provided to the Owner.

- D. Fourth and subsequent offenses - written citation and \$150.00 fine for each occurrence, which will be assessed against the Condominium Unit Owner. The citation shall state the date on which the charges contained in the citation shall be heard. Such hearing shall be not less than fifteen (15) days after the date the citation is provided to the Owner.
  - E. If the violation is not corrected within thirty (30) days after the date of the written citation, the fine will be increased by fifty dollars (\$50.00) per day from the thirtieth (30th) day until the violation is corrected.
- 3. A fine shall be imposed for any second and subsequent violation, even if that violation involves a different provision of the Declaration, Bylaws, Rules or other governing document than did the first violation.
  - 4. After a twelve (12) month period, any record of violation shall be removed from the Condominium Unit Owner's record and shall not be used in calculating subsequent violations.
  - 5. The Managing Agent, its staff, and security personnel, as agents for the Board, are authorized to issue written citations and levy fines.
  - 6. **Contesting Citations and Fines.** The Condominium Unit Owner penalized (herein called the "offender") may contest any fine or penalty imposed by the Board or the Managing Agent in accordance with the procedure set forth in Section 10.01(c) of the Bylaws and as set forth below:
    - A. Notice of Contest. The offender may contest such fine or penalty prior to the date set forth in the citation for the hearing on such violation, by filing with the Secretary a written notice of contest and the reasons therefor.
    - B. Time and Procedure for Hearing. All contested citations shall be heard by a panel of three (3) capable persons (one of whom shall be designated as chairman) designated by the Board ("Panel") at a meeting on the date set forth in the citation or such subsequent date established by the Panel. At such hearing, the Owner shall have the right to present oral and written evidence and to confront and cross examine adverse witnesses.
    - C. Disposition of Contested Citation. The Panel shall decide by majority vote whether the fine or penalty shall be upheld within seven (7) days after the hearing and shall prepare a written decision which specifies the fines or penalties levied and the reasons therefor. . If the fine or penalty is upheld, it shall stand and shall be remitted by the offender in full within seven (7) days of the date of such meeting. Fines or penalties not upheld by the Panel shall be rescinded.

SECTION XIV. COLLECTION OF DELINQUENT ASSESSMENTS

1. The following policies shall apply to all delinquent accounts controlled by the Managing Agent:

- A. The Managing Agent shall charge a delinquent owner:
  - (i) A late fee of five percent (5%) of the unpaid assessment for maintenance fees or other assessments that are not paid in full as of the 30<sup>th</sup> day of the month in which the maintenance fees or assessments are due;
- B. The Managing Agent shall send an owner who is more than Thirty (30) days delinquent in the payment of an assessment, a written notice of the late fee and shall request immediate payment; and
- C. The Managing Agent shall charge a delinquent owner interest of 1% per month on the unpaid balance of the owner's account for: (i) assessments/maintenance fees which are not paid in full as of the 30<sup>th</sup> day of the month in which the payment is due; and
- D. If an owner is more than Sixty (60) days delinquent in the payment of assessments, maintenance fees, the Managing Agent shall send the owner a written notice that if the account is not paid in full within Ten (10) days, it will be turned over to the Association's attorneys for collection and the owner will have to pay any attorney's fees and costs charged to the Association; and
- E. The Managing Agent shall transfer to the Association's attorney any account which remains delinquent after the Fortieth (40) day of the mailing of the second notice; and
- F. If an account is transferred to the attorney, the attorney shall send the delinquent owner a written notice that if the account is not paid in full within Thirty (30) days, a lien will be recorded against the owner's property; and
- G. The Managing Agent or attorney shall sign any lien prepared by the Association's attorney against the delinquent unit and the attorney shall record it; and
- H. The Managing Agent shall also consult with the Association's attorneys and, if appropriate, transfer any account in which: (i) the owner files bankruptcy; or (ii) anyone else commences foreclosure against the owner's property; and

2. The following policies shall apply to all delinquent accounts turned over to the Association's attorney for collection:

- A. All contacts with a delinquent owner shall be handled through the Association's attorneys. Neither the Managing Agent, employees of the Association, nor any

Association officer or director shall discuss the collection of the account directly with an owner after it has been turned over to the Association's attorneys unless one of the attorneys is present or has consented to the contact.

- B. A delinquent owner shall send all payments to the Association's attorneys until the account has been brought current.
- C. When any account is turned over to the Association's attorneys for collection, the account shall be so marked by the Managing Agent and no quotations on the account shall be released to any party including the owner or an escrow, nor shall payments be accepted, except with the consent of the Association's attorney. All legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent unit owner and shall be collectable as an assessment as provided in the Bylaws of the Association.
- D. The Association's attorneys shall give the delinquent owner notice that if the delinquent account is not brought current within the time stated, foreclosure proceedings may be commenced.
- E. The Association's attorney shall consult with the Managing Agent and the Board when necessary to review unusual situations or circumstances encountered during the collection process.
- F. The Association's attorneys, in their discretion and to the extent they consider it to be appropriate, may enter into an installment payment plan with delinquent owners; provided, however, that any payment plan which provides for: (i) an initial payment of less than one-third (1/3) of the delinquent balance; or (ii) monthly payment of less than twice the amount of the current monthly assessment amount; or (iii) a duration in excess of six (6) months, shall require the approval of the Board.
- G. If (i) an owner fails to respond to the Association's attorneys' initial demand letter; (ii) an owner remains delinquent and fails to submit a written payment plan or defaults on the terms of such a plan; or (iii) if a lien has been recorded against the owner's property and , after notice to the owner of the lien, there has been no response or payment within the prescribed time period, the Association's attorneys are authorized to take such further action as they believe to be in the best interests of the Association, including, but not limited to:
  - i. Filing suit against the delinquent owner for money due; or
  - ii. Instituting a foreclosure of the Association's lien; or
  - iii. Filing a proof of claim in bankruptcy; and



H. The Association's attorney shall provide a monthly report to the Managing Agent regarding status of delinquent accounts.

3. In accordance with the Board's "Priority of Payment Resolution," any outstanding and unpaid legal and late fees, fines, and specials assessments will be handled in the following manner:

At any time there are unpaid legal or late fees, fines, or special assessments on an owner's account, unless those amounts are paid in full, the next maintenance fee payment received from the owner will be first applied to liquidating those fees, fines, and special assessments in the following order:

1. Legal fees and cost
2. NSF charges for returned checks
3. Interest
4. Late fees
5. Any other outstanding fees or fines
6. Maintenance fees

After those amounts are paid in full, the remaining amount, if any, will be credited to the owner's Association assessment account for maintenance fees. This means that if the owner fails to pay the charges, in 1, 2, 3, 4, and 5 in addition to the maintenance fees, those charges, will be deducted from the owner's maintenance fee payment until those charges are paid in full. If deducting those charges from the maintenance fee payment results in the maintenance fee payment being less than a full monthly payment, THE OWNER WILL BE CHARGED A LATE FEE FOR THAT MONTH. IN ADDITION, THE OWNER WILL BE CHARGED A LATE FEE FOR ANY FUTURE MAINTENANCE FEE PAYMENTS WHICH ARE LESS THAN THE FULL AMOUNT OWED BECAUSE THE CHARGES LISTED IN 1, 2, 3, 4 AND 5 HAVE BEEN DEDUCTED FROM THEM.

4. The Association may collect rent from the tenant or rental agent of a delinquent owner in accordance with the Article 6.12 of the By-Laws and Section 514B-145, HRS.
5. The Association may terminate the utilities of a delinquent owner and deny the owner common services and privileges in accordance with Article 6.13 of the By-Laws

#### SECTION XV. AMENDMENT OF HOUSE RULES

Except to the extent expressly proscribed or limited by the Declaration, the Bylaws or these Rules, the Board reserves the right to make such other rules or to amend, supplement or modify these Rules from time to time by action of the Board as it deems appropriate to promote the safety, care, and cleanliness of the Premises and to ensure the comfort and convenience of all Occupants,

so long as such rules are not inconsistent with any applicable laws, ordinances, codes, rules or regulations applicable to the Condominium and/or its management operation.

CERTIFICATE OF ADOPTION

The Board hereby adopts the foregoing as the Rules and Regulations of Honua Kai, as of this Friday, November 18, 2016.

HONUA KAI CONDOMINIUM ASSOCIATION, INC.

By: \_\_\_\_\_  
Stuart Mumm  
Board President

## Exhibit A

Minimum Insurance requirements for House Keepers and Property Managers under House Rules, Section IX:

Housekeepers:

- \$1,000,000 per occurrence/\$2,000,000 annual aggregate limits for General Liability.
- Statutory minimums of \$100,000/\$500,000/\$100,000 for Workers Compensation with a waiver of subrogation in favor of the Association.
- The State of Hawaii minimum limits of \$20,000/\$40,000 for auto insurance.

Property Managers:

- \$1,000,000 per occurrence/\$2,000,000 annual aggregate limits for General Liability.
- Statutory minimums of \$100,000/\$500,000/\$100,000 for Workers Compensation with a waiver of subrogation in favor of the Association.
- \$1,000,000 Errors and Omissions coverage.
- The State of Hawaii minimum limits of \$20,000/\$40,000 for auto insurance.

## Exhibit B

### 6190 Compact Housekeeping Cart



#### AVAILABLE COLORS

Order #	Color	Product UPC/ UCC Code
FG619000 BLA	BLA	086876192414 / 00086876192414



Black  
BLA

### 6192 Compact Housekeeping Cart with Doors



#### AVAILABLE COLORS

Order #	Color	Product UPC/ UCC Code
FG619200 BLA	BLA	086876192438 / 00086876192438



Black  
BLA



**9T76 Compact Folding Housekeeping Cart**



**AVAILABLE COLORS**

Order #	Color	Product UPC/ UCC Code
FG9T7600 BLA	BLA	086876180619 / 00086876180619



Black  
BLA

**9T19 Full Size Housekeeping Cart with Doors**



**AVAILABLE COLORS**

Order #	Color	Product UPC/ UCC Code
FG9T1900 BLA	BLA	086876192445 / 00086876192445



Black  
BLA

### 1881749 Collapsible X-Cart



#### AVAILABLE COLORS

Order #	Color	Product UPC/ UCC Code
N/A	BLA	086876221626 / N/A

Item #	Description
1881749	Collapsible X-Cart (4 Bushel)
1881750	Collapsible X-Cart (8 Bushel)
1881781	Collapsible X-Cart (2 - 4 Bushel)

### Executive Quick Cart



#### AVAILABLE COLORS

Order #	Color	Product UPC/ UCC Code
1902465	Dark Gray	086876223583 / 00086876223583

Item #	Description
1902465	Executive Quick Cart - Large
1902466	Executive Quick Cart - Medium
1902467	Executive Quick Cart - Small