

**RULES AND REGULATIONS
OF THE
ASSOCIATION OF APARTMENT OWNERS OF WAILEA BEACH VILLAS
(House Rules)**

The primary purpose of these Rules and Regulations (sometimes herein referred to as the "House Rules") is to attempt to protect all Owners, and their respective tenants, visitors and guests, from annoyance and nuisance caused by improper use of the apartments and Common Elements of the Wailea Beach Villas condominium project (the "Project"). The Board of Directors ("Board") of the Association of Apartment Owners of the Project ("Association") has the full authority and responsibility for enforcing these House Rules. However, such responsibility may be delegated to the Managing Agent from time to time by the Board. All Owners, occupants, their families and their guests, employees and other persons using the Project on their behalf shall be bound by these House Rules and by standards of reasonable conduct whether covered by these House Rules or not; provided, however, that neither the Board nor the Managing Agent shall be responsible for any noncompliance or violation of these House Rules by said Owners, occupants, their families, guests, employees or other persons using the Project on their behalf. These House Rules may be amended by the Board or the Association as provided in the Bylaws of the Association, and as provided herein at Section XIX.

The Project is an upscale residential community providing many luxuries and amenities. The Association and Managing Agent of the Project are dedicated to assisting all Owners, tenants, visitors and guests in enjoying their Apartments to the fullest extent. The successful realization of this goal will largely be dependent on you, the Owners. High standards have been established, that apply to all people who utilize the Project at all times. Your cooperation in adhering to these standards is essential to maintain the harmonious environment of the Project. The intent of these Rules and Regulations is to provide an outline of proper conduct and behavior while on the premises. If consideration for others and common sense are practiced by all who utilize the Project, we are sure that a friendly and pleasant atmosphere will result.

Receipt of the Project Declaration, the Bylaws and Rules and Regulations will serve as a WARNING. Owners may be fined upon the first violation of these House Rules and be assessed in accordance with a schedule of fines adopted by the Board. You are encouraged to read and review the Association formation documents, including the Declaration, the Bylaws and Articles of Incorporation, as amended. These establish and define certain rules and regulations not covered in this document. Together, these documents should be well considered and heeded by all Owners and their respective tenants, visitors and guests. Thank you for your cooperation.

The terms used herein with initial capital letters shall have the meanings given to them in the Project Declaration, except as expressly otherwise provided herein. The use of any gender herein shall be deemed to include either or both genders, and the use of the singular shall be deemed to include the plural whenever the context so requires.

I. OCCUPANCY.

A. USE OF APARTMENTS. All Apartments shall be occupied and used by the respective Owners thereof, their tenants, visitors and guests, only for those purposes that are consistent with, and appropriate to, a first-class resort destination. Hotel and commercial operations, residential occupancy and transient vacation rental use, to the extent permitted under applicable law, are expressly permitted at the Project, subject, however, to the Declaration, Bylaws and these House Rules. The Apartments and the Common Elements may not be used for any other purpose without the prior written consent of the Board of Directors and other owners as may be required.

B. PETS AND OTHER ANIMALS. No pets of any kind shall be permitted to be kept within the Project; provided, however, that notwithstanding this provision, visually impaired persons, hearing impaired persons and disabled persons shall be allowed to keep seeing-eye dogs as defined in Chapter 515, Hawaii Revised Statutes, signal dogs as defined in Chapter 515, Hawaii Revised Statutes, and service dogs/animals as defined in Chapter 515, Hawaii Revised Statutes, respectively, in their Apartments are allowed provided they are always on a leash when in the common areas. Further, nothing herein or in the Bylaws shall hinder full access to the Apartments and the Common Elements by persons with disabilities with a trained animal intended to assist with the disability. Owner's who fail to pick up their dog's waste are subject to a fine of \$250. No more than two (2) pets may be kept in an apartment.

C. EQUAL RIGHTS OF ALL OWNERS. All persons who own an interest in an Apartment of the Project, and those who are tenants, visitors or guests of such Owners, shall have the equal right to use, occupy and enjoy their respective Apartments, and to utilize the Common Elements that are not also designated Limited Common Elements.

D. APPOINTMENT OF LOCAL AGENT. Owners shall designate a local agent on the island of Maui to represent them if their residence is on another island or outside of the State of Hawaii or if they will be absent from the Project for more than thirty (30) days. The Owners must file their out-of-town address and telephone number, and the address and telephone number of their local agent, with the Board.

II. TEMPORARY OCCUPANCY.

A. USE BY OWNER'S TENANTS, VISITORS AND GUESTS. Subject to the terms of these House Rules, the Bylaws and the Declaration, an Owner may lease his Apartment, but the person or persons leasing, renting or occupying the Apartment shall abide by these House Rules, the Bylaws and the Declaration, and the Owner shall assume responsibility for the conduct of all occupants of his Apartment.

B. CONDUCT OF OWNER'S TENANTS, VISITORS AND GUESTS. An Owner shall be responsible for the conduct of such Owner's employees, contractors, agents, customers, lessees, tenants, visitors and guests, as appropriate, and shall, upon the request of the Board or the Managing Agent, immediately abate and remove, at said Owner's expense, any structure, thing or condition that may exist with regard to the occupancy of said Owner's Apartment by such Owner's employees, contractors, agents, customers, lessees, tenants, visitors or guests contrary to the intent and meaning of the provisions of these House Rules, the Bylaws and the Declaration. If the Owner is unable to control the conduct of said employees, contractors, agents, customers, lessees, tenants, visitors or guests to conform with the intent and meaning of the provisions of these House Rules, the Bylaws and the Declaration, said Owner shall, upon request of the Board or Managing Agent, immediately remove such employees, contractors, agents, customers, lessees, tenants, visitors or guests from the Project premises, without compensation for lost rentals or income, or any other damage resulting therefrom.

III. COMMON AREAS, ENTRANCES AND LANAIS.

A. No loud talking, unnecessary noises or boisterous conduct is permitted at any time. This includes, but is not limited to, televisions, radios and/or other sound-emitting devices. Common courtesy shall be observed at all times. Consideration of your neighbors will enhance the enjoyment of the Project for all.

B. Owners will be responsible for any and all actions of their occupants, family members, guests, lessees, contractors, employees, agents, customers, and any other person on the common areas of the Project by their instruction, invitation or permission.

C. Owners will be responsible for and bear all costs of repairs and/or replacement for any damage to the buildings, recreational facilities, equipment, or any other common area property, if it is determined that the damage was caused by the Owner, their occupants, family members, guests, lessees, contractors, employees, agents, customers, and any other person using the Project on their behalf.

D. Obstruction of the corridors, lobbies, hallways or entranceways throughout the property is not permitted.

E. No Owner shall store or place anything in the common areas, lobbies, hallways or public areas. Owner of an Apartment with a Limited Common Element lanai or entry area will be permitted to decorate such area provided that any such plan shall not cause unsightliness or interfere with the uniform exterior appearance at the Project, as determined by the Association or Managing Agent in its sole discretion.

F. Intentionally deleted.

G. Dusting, brushing or cleaning personal belongings in any common area is not allowed.

H. Outside antennas or signs may not be placed in the windows, on the balconies or lanais of any Apartment; provided, however, antennas and satellite dishes which are covered by the attached Antenna Policy will be permitted only as described in that Policy.

I. Owners may not borrow or remove any equipment or property belonging to the Association.

J. Proper attire must be worn whenever entering the common areas. Foot coverings and shirts are required to be worn at all times while in the common areas. Anyone going to and from the fitness room and pool/spa area must wear a cover-up. Precautions should be taken to prevent water from dripping onto interior surfaces and flooring, including within the lobbies, library, fitness center or locker rooms, that may cause a slippery and dangerous condition.

K. Do not use the lobbies, lounges, game rooms or offices for sleeping. These areas are strictly for the meeting and entertainment of Owners, their tenants, visitors and guests.

L. Neither residents nor their families, employees, agents, visitors, licensees or servants shall distribute or cause to be distributed any advertising, pamphlet, free newspaper or any other printed matter on or in any portion of the Project or on cars of Owners, their tenants, visitors or guests. This includes door-to-door solicitation, electioneering, and other such activity except as provided in Rule VIII.D below. Please report violators immediately to the front desk or any on-site management office.

M. Residents must not prop open any common area door, or perimeter gates, at any time.

N. The roof area, related mechanical rooms, as well as the internal stairwells, are off-limits for use by Owners, their tenants, visitors or guests, except in an emergency situation. Roof and internal stairwell access doors are armed with alarms.

O. Skateboards, scooters, bicycles, roller skates, rollerblades, toys or other wheeled vehicles are not allowed to be used in any of the common areas except bicycles may be ridden on the roadways.

P. Smoking is not allowed in any common areas, building corridors or elevators or in any area designated as nonsmoking by the Maui County Code.

Q. The on-site management office will handle lost and found. Please turn in any found items to that office.

R. Unless growing in the ground within a Limited Common Element of the Project, all plants shall be placed in containers so as to prevent the dripping of water or soil onto other Apartments or the Common Elements. All exterior visible plants or decorative pots are subject to the approval of the Board.

S. Nothing shall be thrown from windows or lanais, especially cigarettes and matches.

T. Garbage shall be disposed of only in areas provided therefor. Garbage containing food shall be thoroughly drained, placed in a plastic bag, and securely tied. Large trash items shall be taken to the large receptacles provided for this purpose. Cooking scraps and wet garbage (except bones and fibrous vegetables) should be disposed of by using the disposal in the kitchen sink. All other disposable items are to be securely wrapped into a compact bundle and placed in the trash chute located near each Penthouse entry lanai or in the receptacles provided with each Villas Apartment. Newspapers shall be bundled and placed in the trash chute. CAUTION: BE SURE CIGARETTES ARE EXTINGUISHED BEFORE YOU DISPOSE OF THEM DOWN THE CHUTE AND DO NOT BLOCK THE CHUTE WITH ITEMS TOO LARGE FOR THE CHUTE. Please notify the management office or front desk of any oversized articles requiring removal.

U. No unsightliness within the public view is permitted on the Project premises. Any unsightly or disturbing items shall be removed upon the request of the Association or Managing Agent.

V. No items of personal property, including, but not limited to, mopeds, bicycles, kayaks, canoes, racks, beach toys, beach chairs, or other items, shall be left or allowed in any of the Common Element areas, except in areas designated therefor. Articles of any kind left in any of the Common Elements will be removed at the Owner's or

occupant's risk and expense at the direction of the Board or in the discretion of the Managing Agent pursuant to the provisions of the Condominium Property Act. Mopeds or motorcycles may be parked in front of the Owner's car in the Owner's designated parking space only so long as it does not cause the car to block access to other stalls or to driveways.

IV. RECREATION AREAS.

The recreation areas, which are located in the common areas of the Project, consist of the lobbies, lounges, game rooms, lanais, kitchen areas, fitness center and locker rooms, two (2) swimming pools and spa areas. Please note the following general rules:

- A. The recreation areas are for the exclusive use of all Owners and their guests. Proper identification must be presented to security or management personnel upon request.
- B. Proximity sensor card keys may be required for access into these areas, as appropriate.
- C. Personal furniture, other than that provided by the Association, shall not be used in the recreation areas. Association-provided furniture, accessories and equipment shall not be removed from those areas. Persons who use these recreation rooms and areas are responsible for the removal of all articles brought there by them, including towels, books and magazines, food and beverages, and related debris and trash.
- D. Glass containers are not to be brought into the recreation areas, with the exception of the main lobby lounge, where glassware will be permitted.
- E. Running, horseplay, loud noises or activities, drunken or lewd behavior is prohibited.
- F. All persons using the recreation areas do so at their own risk.
- G. Additional rules may be posted in the recreation area from time to time by the Association, Managing Agent or resident manager, and Owners, occupants and their guests must conform therewith. Such posted rules shall automatically become part of these House Rules.

V. SWIMMING POOL AND SPA AREA.

There are two (2) swimming pool and spa areas: One pool and spa area is located on the makai portion of the Project near Villas Buildings A and B. The other pool and spa area is located near the Penthouse Building at the center of the Project. The following guidelines will apply to each of these pool and spa areas, as appropriate.

- A. **POOL AND SPA HOURS ARE AS FOLLOWS:**
Daily - 7:00 A.M. TO 9:00 P.M.
- B. Children fourteen (14) years and younger must be accompanied at all times by a responsible adult.
- C. The "buddy" system is recommended for all swimmers at all times. No one should swim alone.
- D. The use of the pool is expressly limited to Owners, their tenants, visitors and guests. Each Apartment is limited to six (6) guests total, at any given time. At no time shall a group monopolize the facilities. Our community is for the quiet enjoyment of all Owners, their tenants, visitors and guests.
- E. All gate latches, if any, will be closed at all times. Please do not leave such gates propped open. This is for the safety of all, especially children.
- F. Absolutely no running, pushing, diving or horseplay around or in the pool areas will be permitted. This includes "dunking" activities. At no time shall there be any loud noise, disturbance or other activity that creates a nuisance to Owners or their guests.
- G. No infant, young child or person subject to involuntary natural bodily functions is permitted to use the pool or spa without proper and effective diaper protection.

H. Inflatable items, sun-mats, surfboards, styrofoam floats, "boogie boards," or other large objects of this nature will not be permitted. Only flotation devices for small children (i.e. water wings) shall be permitted.

I. No person is to enter the pool or spa after application of any tanning or sunscreen preparation without first taking a shower.

J. Misuse of the pool and patio furniture will not be tolerated. This also applies to life preservers, life-saving hooks and related pool equipment. These items are for safety purposes, not for recreation. Pool furniture, tables, umbrellas and other accessories shall not be removed from the pool.

K. **NO GLASSWARE OF ANY KIND IS ALLOWED IN THE POOL AREAS.** Containers of an unbreakable nature will be allowed provided they are disposed of in a proper manner. Littering in the pool and around the pool and spa areas is not allowed.

L. No barbecue, hibachi or other cooking apparatus, shall be used within the pool, spa or beach area. Please make sure to turn off the gas valves if not in use, and keep these areas clean.

M. No pets are allowed in the pool and spa areas at any time, except that visually impaired persons, hearing impaired persons and disabled persons shall be allowed to keep seeing-eye dogs as defined by Chapter 515, Hawaii Revised Statutes, signal dogs as defined by Chapter 515, Hawaii Revised Statutes, and service dogs/animals as defined by Chapter 515, Hawaii Revised Statutes, respectively, with them at the pool/spa area while utilizing such facilities.

N. Only persons dressed in standard swimwear are allowed in the pool or spa. Nudity or nude sunbathing in these areas will not be tolerated.

O. Climbing over the gates and fences in the pool area is prohibited.

P. Persons with skin disorders, colds, coughs or communicable diseases are asked to refrain from pool use due to the potential risk of health problems to other individuals.

Q. Immoral, lewd or indecent conduct in the pool, spa, lounges, and fitness center is not permitted.

R. Portable televisions and radios are not permitted unless used with headphones.

S. No child fourteen (14) years of age or younger shall be allowed in the pool and spa areas unless accompanied by a parent or legal guardian. It is recommended that pregnant women, persons with heart problems, high blood pressure or diabetes refrain from using the spa, for health reasons.

T. The Board of Directors reserves the right to deny use of the pools, pool areas and spas to anyone at any time.

U. The Association is not liable, and does not assume any liability whatsoever, for injury, property damage or any kind of loss arising in connection with the use of the pool, spa, or fitness facilities. **The pools, spas and other adjacent recreation areas have no lifeguard on duty.**

V. Owners or guests shall not consume food or drinks while in the pool or spa.

VI. FITNESS CENTER.

A. FITNESS CENTER HOURS ARE AS FOLLOWS:

Daily - 6:00 A.M. to 9:00 P.M.

B. All equipment shall be wiped down after each use.

C. All equipment is to be used as intended. Please lower the weight stacks on the equipment to their start positions to avoid striking other plates. Do not drop weights.

D. Owners shall not store or place any personal equipment in the fitness center.

- E. No glass containers or food items are allowed in the fitness center.
- F. Lockers are for the convenience of all Owners and, therefore, no overnight storage is allowed.
- G. All persons using the fitness center and weight-lifting equipment do so at their own risk.

VII. ROADWAYS AND PARKING AREAS.

The parking areas and parking garages are for Owners, tenants, and for a limited number of guests and visitors. Vehicles parked in unauthorized or restricted areas, including areas assigned to other Owners, will be towed away at the vehicle owner's expense.

A. Vehicle drivers shall maintain safe and proper speeds while driving in the garage areas and on the roadways. The speed limit on the roadways is twenty (20) miles per hour. There are many blind spots present. Headlights should be turned on while driving in the garage area.

B. Please use oil-catching and absorbing materials underneath your vehicle (as may be approved by the Board) to prevent excessive staining. Please monitor the condition of those materials and replace or clean when necessary. Excessive oil leaks and stains caused by a vehicle will be cause for an assessment for the cost of clean-up and repairs. Preventative maintenance of your vehicle will help to alleviate this issue.

C. Deeded or assigned parking spaces are for the exclusive use of an Owner of an Apartment or such Owner's tenant, and may not be leased, sub-leased, sold, or otherwise separately conveyed apart from the conveyance of such Apartment.

I. OWNER PARKING.

Each Apartment has one (1) assigned parking space. Upon arrival at the Project, an Owner may request the use of a second parking space. A second parking space may be assigned to such Owner for the duration of such Owner's stay on a first-come, first-served basis. An Owner will not have the exclusive use of any such second space assigned for such Owner's use, and the Association acting through the Managing Agent, will have the right to re-assign to such Owner any such second space, or eliminate use of such second space altogether. Tenants of Owners may request the use of a second space, and may be assigned a second space subject to availability, and subject to the prior right of any Owner to obtain a second space. For your safety and convenience, the Association will enforce the following procedures:

a. Your vehicle must display a Wailea Beach Villas parking pass on the left side of the dashboard, showing that your vehicle is registered with the Wailea Beach Villas' on-site management office. Such parking pass must remain visible at all times.

b. Your vehicle must fit in your space and not affect any adjacent space, walkway or driveway. Oversized vehicles such as limousines and extra large vehicles may not fit in your space and, therefore, it may be necessary for you to find outside parking off of the premises.

c. Boats, jet skis, trailers, campers or unregistered motorized vehicles are not permitted within the Project.

d. Guests may not use another Apartment's parking spaces without permission of the Owner of such spaces. Owners must park in their assigned spaces.

e. No vehicle work is permitted anywhere in the garage area. This includes, but is not limited to, washing, waxing, changing oil, and any maintenance.

f. Any cars parked in stalls assigned to other Owners will be towed away at the car owner's expense, unless permission is given by the Owner and a parking permit is displayed.

g. No excessive noise from vehicles or revving up of engines is permitted.

h. Please take care when opening your car doors so you do not chip the paint off or otherwise damage your neighbor's car.

i. Should a car alarm persistently go off, the Association may, at the Owner's expense, hire a locksmith or a towing company and take whatever action necessary to stop the noise. Vehicle alarms that do not automatically go off after a short period of time are not allowed.

j. Storage of personal items in the assigned parking space is not allowed.

2. GUEST PARKING.

There are a limited number of guest parking spaces available within the Project. In order to best utilize these spaces for guests of Owners of the Project, the following rules shall be used as a guide to issuing a temporary parking permit ("Guest Parking Permit").

a. Each guest shall appear in person and provide to the security guard on duty at the front desk their name, Owner's name and Apartment number, vehicle make, color and license number. The security guard will then notify the Owner or other authorized occupant. If the Owner or authorized occupant acknowledges the guest, the guest shall be issued a Guest Parking Permit and shall be granted entrance to the designated area. The Permit must be displayed on the vehicle driver's side dashboard.

b. To the extent that an Owner is anticipating a visit by a guest, the Owner must leave their guest(s)' name at the front desk. The security officer shall log in the guest names. If a guest name is not provided to the security officer or employee, the guest shall not be granted access to the Project.

c. Vehicles remaining in guest parking spaces for a period of time exceeding the date displayed on the Permit shall be subject to towing at the Owner's and/or guest's expense.

d. Intentionally deleted.

e. Permits are not a reservation of a guest parking space. Guest parking is subject to daily availability on a first-come, first-served basis, and the Association does not reserve or guarantee parking for anyone, including those having guest parking permits.

f. Owners whose assigned parking space is unoccupied may use it for their guest(s) to park in. The guest must comply, however, with all guest parking registration rules. The guest or Owner should notify the security desk or other personnel to avoid being towed, and a Permit must be displayed on the vehicle.

g. Real Estate Broker/Agent – Please review the Real Estate Broker/Agent rules and regulations in Section XII herein.

h. Contractors and service personnel, including but not limited to, housekeepers and plant maintenance people, should be issued a day-use only temporary parking permit, subject to availability. Service personnel that are at the Project frequently (three or more days per week) can register for a permanent day-use permit. Service personnel shall be required to log in with the security officer or employee, and shall then be granted parking access. It shall be the Owner's responsibility to notify the security officer or employee of any change in approved service personnel.

i. Parking is at the risk of the vehicle owner and/or person driving the vehicle. The Association, its agents, the Board, and the Managing Agent are indemnified and held harmless against any claim related to use of the parking area. The Association, its agents, the Board and the Managing Agent are not liable for any damages and/or losses whatsoever related to any vehicle using the Project.

3 PARKING AREA ENFORCEMENT.

a. Violations of the parking regulations enumerated above shall be subject to the following:

FIRST VIOLATION. The on-site manager and/or other personnel will monitor the guest parking areas and place a removable red sticker on vehicles that do not have a valid temporary parking permit. The violation will be noted in the record and list the license number of the vehicle. If the car is not moved within twenty-four (24) hours, the car is subject to towing at car owner's expense and a fifty dollar (\$50.00) fine to the Owner responsible for the guest, if applicable. If the vehicle creates a security risk, (for example, ambulances or fire trucks cannot safely enter) no warning shall be given prior to towing.

SECOND VIOLATION. The car is subject to towing at the car owner's expense, and the responsible Owner will also pay a fifty dollar (\$50.00) fine. **NO WARNING WILL BE GIVEN.**

b. The roadways and driveways of the Project must not be obstructed or used for any purpose other than ingress and egress. Obstructions, equipment, materials, pallets or other loading gear or machinery shall not be left in any parking area or Common Element so as to interfere with the normal flow of traffic, so as to create a health or safety hazard or so as to create a nuisance to other Owners or occupants.

c. No cars, trucks or other vehicles may be parked or left unattended at any loading areas or in the driveways.

d. Each Owner shall be responsible to register his vehicle with the Managing Agent while staying at the Project.

e. When workmen are performing work on an Apartment or if any occupant orders deliveries of any kind, the Owner or occupant shall advise the delivery person to use a guest parking stall in the parking area or to park on the street.

f. Parking at the Project shall be controlled by the Managing Agent.

g. Violators of parking regulations shall have their cars, trucks or other vehicles or gear towed away or removed at their expense. If the violator is an employee, agent, lessee, tenant, visitor or guest of an Owner, the Owner shall be held responsible for payment of the towing or removal charge.

h. The Board has the power to modify and/or waive parking area enforcement fines in its sole discretion.

VIII. STORAGE AREAS.

No storage of property shall be permitted within any parking areas or in any other area not intended for use in that regard.

The Project has provided owner storage. Under no circumstances shall flammable or explosive items be placed in any storage locker. The Association is not responsible for any loss or damage to items placed in these personal storage lockers. Storage in these lockers is strictly at the Owner's sole risk. Owners may be required to execute an indemnity agreement or to provide insurance as a condition precedent.

No cabinets may be installed outside these storage lockers. The Owner to which the locker belongs is required to maintain the locker in good condition at such Owner's sole expense.

A. Gas-powered machines, firearms, fuel tanks, explosives and/or flammable materials are prohibited, and shall not be stored inside the storage lockers.

B. No flammable, combustible or explosive fluid, material, chemical or substance of any kind shall be stored in any storage locker.

C. Items of personal property will not be stored in the garage area unless the same is stored in the personal storage lockers.

IX. NOISE AND NUISANCES.

A. **GENERALLY.** Subject to the provisions of Article IV, Section E. of the Declaration, no nuisances shall be allowed in the Project nor shall any use or practice be allowed which is improper or offensive in the opinion of the Board or in violation of the Declaration, the Bylaws or these House Rules or which unreasonably interferes with or is an unreasonable annoyance to the peaceful possession or proper use of the Project by other Owners or occupants. Owners are responsible at all times for the reasonable conduct of themselves, their employees, contractors, agents, customers, lessees, tenants, visitors and guests. Loud or boisterous conduct anywhere on the Project premises, including your Apartment, which disturbs the comfort and quiet enjoyment of others, is prohibited. In the event a neighbor or guest is causing a disturbance, the person being inconvenienced should telephone the security office at the time of the disturbance.

B. **EXCESSIVE NOISE.** All Owners and occupants shall avoid excessive noise of any kind at any time and shall consider the quiet enjoyment of other Owners and occupants of the Project at all times. Excessive noise at any time should be reported to the Managing Agent who will take appropriate action. Should noise transmission create a disturbance or a nuisance, it is the responsibility of the Owner, not the Developer, the Association or the Managing Agent, to abate the noise transmission. Speakers and floor-supported musical instruments (i.e. pianos and organs) must be properly isolated from direct contact to floors and walls in order to minimize vibrations and noise. In order to ensure the comfort of all Owners, radios, stereo and television sets, and any and all other such audio equipment generating noise in excess of forty (40) decibels should be turned down to a minimum volume so as not to disturb other occupants between the hours of 10:00 p.m. and 8:00 a.m. All other unnecessary or excessive noises between these hours shall be avoided. Violations will be promptly referred to the Managing Agent for enforcement. Notwithstanding the provisions of this paragraph, the Developer shall have the rights provided for in Article IV, Section E. of the Declaration.

C. **OBJECTIONABLE ODORS.** Owners and occupants shall not cause or permit any disturbing or objectionable odors to emanate from their respective Apartments. These include, but are not limited to, cooking, cleaning, painting and smoking.

D. **ADVERTISING.** Advertising on the Project is prohibited without prior written consent of the Managing Agent.

E. **SOLICITATION.** There shall be no solicitation by any person anywhere within the Project of any cause, business enterprise, charity or purpose whatsoever, except that the Developer under the Declaration will control the activities conducted in the Business Apartment. Provided, however, solicitation of proxies or distribution of materials relating to Association matters is permitted by Owners on the common elements provided such solicitation occurs at a reasonable time, place and manner.

F. **MACHINES AND EQUIPMENT.** All data processing, computer, graphic arts and printing facilities, business machines and equipment, kitchen equipment and all other mechanical equipment installed and used in any Apartment shall be designed, installed, maintained and used by the Owner and any occupant of such Apartment at the expense of such Owner or occupant, so as to minimize insofar as possible, and, in any event, to reduce to a reasonably acceptable level, the transmission of noise, vibration, electric static, odors and other objectionable transmissions from such Apartment to any other area of the buildings or Common Elements.

X. MOVING AND FURNITURE MOVES.

A. When moving in or out, Owners and tenants must coordinate their schedules with the Managing Agent at least one (1) week in advance and also submit a refundable three hundred-dollar (\$300.00) security deposit. To insure full return of the deposit, each Owner or such Owner's designated representative will be accompanied by a

member of the Association's staff on a "pre/post" move in/out inspection of the area to be traveled during the move. Checks will be made payable to "Association of Apartment Owners of Wailea Beach Villas."

B. Prior to any move, Owners shall provide the Association with a certificate of insurance for workers' compensation to comply with state law and commercial liability insurance with minimum limits of one million dollars (\$1,000,000.00) for the moving company, naming the Association and Managing Agent as additionally insureds.

C. The Project has a number of elevators, which can be used for moving, although every elevator may not be used exclusively by any one Owner or moving company. After each use of the elevator it must be available for use by other Owners. Elevators are available for moves on Monday through Friday 9:00 a.m. until 5:00 p.m. and Saturdays 8:00 a.m. until 4:00 p.m. and at other times to be established in the sole determination of the Managing Agent. Moving is allowed only during these hours unless otherwise determined by the Managing Agent and is prohibited on Sundays and holidays unless other arrangements are made in advance and approved by the Board or designated Association representative.

D. All finished floor areas are to be protected with carpet runners as appropriate. The protective coverings must be removed and the floor cleaned by 5:00 P.M. each day.

E. The moving company must ensure that the elevator is padded at all times during moving.

F. All trash and debris must be carried off-site on a daily basis by your moving company. The trash chutes inside the Penthouse Building may not be used for the disposal of debris.

G. Moving vans are allowed on designated areas of the Association's property only, and must be parked so as not to obstruct entries, exits or walkways.

XI REDECORATION OR ALTERATION.

Owners are encouraged to maintain the condition and the design of their Apartments. Please review the Association documents concerning contemplated improvements, which may require approvals. Please follow the steps as outlined therein.

Please see the following subsection A, with respect to contractors, material and related service providers. It has been printed on a separate page to allow residents to copy and provide the same to the contractor.

None of the provisions of the Project Documents are intended to be in contravention of the State or Federal Fair Housing Act. The Board will at all times comply with the provisions of those Acts when acting upon requests by handicapped or disabled persons covered by those Acts to make reasonable modifications, at their cost, to apartments and/or to the common elements of the Project if the proposed modifications are necessary for their full enjoyment of the Project. The Board will also comply with the provisions of those Acts when acting upon requests by such disabled persons for exemptions from any of the provisions of the Project Documents which would interfere with said persons' equal opportunity to use and/or enjoyment of their apartments and/or the common elements of the Project.

A. CONTRACTORS/SUB-CONTRACTORS.

1. Two (2) complete sets of plans (blueprints) and specifications must be submitted to the Board for approval at least thirty (30) days in advance of the work to be done. The plans must be prepared by a Hawaii licensed engineer or architect, showing any changes to the Apartment's structure as well as changes in plumbing, electrical or mechanical systems. All technical and engineering or architectural matters are the Owner's responsibility; the Association does not offer any technical advice nor warrant the suitability of the proposed improvements. In addition, the submittal must have samples of the flooring and sound attenuative materials that will be installed in the Apartment. When plans are approved, one set of plans will be returned to the Owner and the other set will be kept in the Association's files.

2. Review fees will be assessed if the scope of work requires the review by an architect or engineer hired by the Association, and additional charges may be incurred.

3. After approval of plans, building permits (if applicable) must be obtained from the County of Maui. Copies of the permits must be submitted to the Association prior to the start of construction and posted in the Apartment during the construction.

4. The Association requires a damage/performance deposit of Two Thousand Dollars (\$2,000.00) paid in the form of a cashier's check, payable to the Association. The Association will hold this check until work is completed and certification of completion from the County of Maui is received. Any damage to common areas, or fines for noncompliance will be deducted from this deposit. If costs to the Association exceed the deposit amount, the Owner will be assessed and his/her apartment lien for the difference. The Owner is responsible to notify the Association that the approved work is completed and to request the Association's inspection. If the Owner fully complies with Association rules and regulations and there is no damage to the common areas, the deposit will be fully refunded within fifteen (15) days of inspection by the Association.

5. All Association approvals for work must be in writing. Work that begins without written Association approval is done at Owner's risk, and is subject to fines, alteration and/or removal. All Association approved work must be completed within one (1) year of the original approval date, unless otherwise extended in writing by the Board.

6. If your submittal has been disapproved, it can be resubmitted for review if changes are made so that it conforms to Association architectural guidelines, if any. If you feel the plans do conform to the guidelines, you may request reconsideration by the Board.

7. Any damage caused to common areas or adjacent Apartments by the improvement is the Owner's responsibility. Any damage must be reported immediately to the Association along with a schedule of repairs. If the damage is not repaired in a timely manner, the Association will make the repairs to the common areas and charge the Owner. The Owner will be held liable for the actions of his/her contractors and/or workmen.

8. Intentionally deleted.

9. All work must be done inside the Apartment. Workmen cannot set up equipment in hallways, lobbies or garages. Equipment and materials cannot be stored overnight in hallways or lobbies (storage in garages may be arranged). Everything must be stored inside the Apartment or taken off-site each evening.

10. All finished floor areas of the common areas are to be protected with carpet runners. The protective coverings must be removed and the floor cleaned by 5:00 P.M. each day. If this is not done, the Owner is subject to a one hundred dollar (\$100.00) fine per violation, plus the cost of cleaning.

11. The elevator must be padded at all times during construction/remodeling. Working without pads will result in a two hundred dollar (\$200.00) fine per occurrence.

12. All trash and debris must be carried off-site on a daily basis by your contractors. The trash chutes inside the building cannot be used for disposing of debris. There will be a two hundred dollar (\$200.00) fine per violation.

13. Working hours are limited to Monday through Friday, 8:00 a.m. to 5:00 p.m. There will be a one hundred dollar (\$100.00) per hour fine if work continues past 5:00 p.m. No work is allowed on Saturday or Sunday or on the following holidays: Christmas Day, New Year's Day, Labor Day, Memorial Day, Thanksgiving, Fourth of July, Passover, Rosh Hashanah, Yom Kippur, Easter or Chanukah. Alterations and all other work on Apartments must be done after Easter and before Thanksgiving, unless the Board, in its discretion, permits work to occur on other days. A violation of this restriction may subject the violator and/or the Owner to a fine of \$1,000 per day.

14. Contractors may have to park vehicles off the premises if arrangements cannot be made on the premises. Double-parking or obstructing of driveways or walkways will not be permitted.

15. Owners agree to hold the Association harmless and to indemnify the Association against liability for (a) injury to, death of, or damage to the property of third persons to the extent caused by the acts or inaction of the Owner, general contractor, subcontractor, designer or any of their respective agents or employees, and (b) liens on the common expense fund or any Association property arising out of or resulting from the work.

16. Workers are not allowed to bring their pets on site and will be denied entry if they have a pet with them. Workers are also prohibited from creating nuisance noise unrelated to the construction work. Workers are also prohibited from eating meals or taking breaks on the grounds in the common areas. Such violations will be subject to a one hundred dollar (\$100.00) fine per violation.

17. The Owner may select any general contractor he chooses or act as the general contractor himself and hire sub-contractors (subject to restrictions in the laws in Hawaii). All third-party contractors and sub-contractors must be licensed in the State of Hawaii and must have adequate worker's compensation insurance, employee's liability insurance, general liability and property damage insurance. Certificates of insurance for all required coverage must be presented to the Managing Agent, and no work will be allowed until the certificates are submitted and accepted. The Association and the Managing Agent must be named as additional insureds on the certificates of insurance.

18. The Association has the right to stop any work that is in violation of these regulations, creating a fire or safety hazard, or otherwise interfering with activities in common areas.

19. Contractors must use their own equipment. No equipment or tools that are the property of Association, are to be used at any time.

20. Work and preparation must be done in order to contain dust, dirt, noise and paint fumes. Failure to keep the door closed will result in a one hundred dollar (\$100.00) fine per occurrence. Prior arrangements shall be made in order to cover and protect smoke detectors located in the common area corridors adjacent to the Apartment.

21. If the Apartment's fire monitoring system is disconnected for any reason (shut-off of sprinkler system is included), Owner must post a twenty-four (24) hour/day fire watch. This must be a security employee of the Association or Managing Agent, and Owner must pay all expenses (including overtime) when using the employee. Contact the Managing Agent for current rates. If fire alarm systems must be disabled, no persons will be allowed to reside at the Project absent the written approval of the County of Maui.

22. If the Association is forced to employ an attorney to ensure compliance or collect fines, the Owner shall be liable for those attorneys' fees and any related expenses in addition to all fines and/or any other costs to the Association.

23. All workers must wear covered shoes, pants or shorts, and shirts, appropriate headgear and eye gear at all times.

24. All workers must check in with the security guard upon arriving and leaving the Project.

25. Any workers needing the exclusive use of an elevator must make reservations at least twenty-four (24) hours in advance with the Managing Agent.

26. No workers may use power from the common areas of the Project.

27. All loading and unloading from vehicles must be directed through the entrance as instructed by the security guard or other management personnel.

XII. SALES AND REAL ESTATE BROKER/AGENT RULES.

A. **PROCEDURE.** In the event that an Owner offers an Apartment for sale, the Owner shall notify the Association that Owner is selling the Apartment. Owner shall instruct broker/agent to contact the Association for a copy of these Broker/Agent Rules.

B. **SIGN IN.** Listing Broker / agent must sign in and sign out with the security guard, leaving the broker's/agent's business card.

C. BROKER HOST. Listing Broker / agent must accompany Buyer's Brokers / agents and their clients to the Project, agents or clients are not allowed in the Project without the Listing Broker / agent present. If not represented by a broker / agent, the Owner must accompany prospective buyers.

D. NO LOITERING. Listing Broker / agent is not to loiter in the lobby or wander through the Project's common areas. Broker's / agent's sole permitted access shall be to show a specific Apartment at the Project.

E. ESCROW. Owner or Listing Broker / agent shall notify the Association when Apartments are in escrow. All unpaid assessments, late fees, interest and other charges due the Association must be paid in full at or before closing as provided by law.

F. LISTING BOOK. Broker / agent listings are to be placed in a listing book at the security desk.

G. OPEN HOUSE. There shall be no open houses or lock boxes. No open house signs, flags or banners shall be displayed on any Apartment and/or in the common areas of the Project, other than as may be approved by the Board.

XIII. BUILDING MODIFICATIONS.

A. STRUCTURAL CHANGES. Structural or material changes either within or without an Apartment shall only be made in the manner provided in the Declaration, the Bylaws and/or the law.

B. SIGNS. No Owner will erect, affix, or place any signs, electrical or otherwise, nor post or suffer to be posted any handbills or other advertising matter, in front of or on the Common Elements, or that shall be visible from any point outside of said Owner's Apartment except in accordance with the Declaration, Bylaws, these House Rules and/or other determinations of the Board of Directors. No signs, signals or lettering shall be inscribed or exposed on any part of the buildings except with the prior written approval of the Board of Directors. The Board of Directors shall have the right to consult with a design professional prior to making its decision, and the cost thereof shall be borne by the Owner or Owner's lessee or tenant requesting the sign, signal or lettering.

C. PREVENTIVE REPAIR AND MAINTENANCE. Every Owner of an Apartment shall, from time to time and at all times, perform promptly all repair, maintenance and alteration work within such Owner's 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 such Owner's failure to do so.

D. REPAIRS OF INTERNAL INSTALLATIONS. All repairs of internal installations and fixtures within each Apartment such as water, light, gas, power, plumbing, telephone, doors, 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 the responsibility of, and performed at the expense of, each Owner as set forth in the Declaration, the Bylaws and the law.

E. OVERLOADING STRUCTURE. Nothing shall be allowed, done, or kept in any Apartment or Common Element during any alterations or at any other time which will overload or impair the floors, walls or ceilings of any structure within the Project, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Board with respect thereto, nor shall any noxious or offensive activity or nuisance be made or suffered thereon.

F. INSTALLATION OF EQUIPMENT. No Owner or occupant, except as otherwise permitted by the Managing Agent, shall install any wiring or other device for electrical or telephone installations, television, radio, antenna, machines, satellite dishes or other equipment or appurtenances on the exterior of the building or protruding through the walls, windows or ceilings thereof provided, however, antennas and satellite dishes which are covered by the attached Antenna Policy will be permitted only as described in that Policy.

G. EXTERNAL ADDITIONS. No awnings or other projections shall be attached to the outside walls of any building or the exterior portion of any door without the prior written consent of the Board or Managing Agent and other owners as may be required by the provisions in the Project Documents and the Condominium Property Act.

H. **EXTERNAL APPEARANCE.** The exterior of the Project shall not be painted, decorated, or modified by an Owner in any manner without prior written consent of the Association, which consent may be withheld on purely aesthetic grounds within the sole discretion of the Managing Agent on behalf of the Association. No awnings, window guards, light reflective materials, hurricane, or storm shutters, ventilator, fans, or air conditioning devices shall be used in or about the Project, except as shall have been approved by the Association in writing, which approval may be withheld on purely aesthetic grounds within the sole discretion of the Managing Agent on behalf of the Association. Any costs incurred due to damages resulting from exterior additions, whether authorized or unauthorized, shall be paid by the Owner.

I. **ROOF.** Owners are not permitted on the roof of any building within the Project for any purpose without the express approval of the Board or Managing Agent.

XIV. EMPLOYEES OF THE ASSOCIATION.

A. **MANAGING AGENT.** The Board shall have the authority to hire the Managing Agent for the management of the Association; provided, however, that the Developer may hire the first Managing Agent.

B. **LIMITATION ON DUTIES.** Maintenance employees of the Association are under the sole direction of the Managing Agent; and they shall in no case be diverted to the private business or employment of any occupant, unless arrangements therefor have been made in writing with the Managing Agent.

C. **EMPLOYEES MAY NOT BE ASKED TO LEAVE.** No employee of the Association or Managing Agent shall be asked by an Owner or occupant to leave the Common Elements.

XV. HAZARDS.

A. **FLAMMABLE MATERIAL.** Unless the Board gives advance written consent in each and every instance, Owner or 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 articles deemed extra hazardous to life, limb or property; provided that this rule shall not prohibit the maintenance of gasoline in gas tanks of vehicles upon the Project premises or the temporary storage of flammable fluids in suitable containers that are needed for the normal operation of a first-class resort facility. The disposal of hazardous materials shall be done in such a manner so as not to violate any federal, state or county laws related to hazardous waste.

B. **EXPLOSIVES.** The use of firecrackers and the explosion of any fireworks or other explosives anywhere on the Project premises, including within any Apartment, is expressly prohibited unless expressly authorized by the Board.

C. **VIOLATION OF LAW.** No activity shall be engaged in and no substance introduced into or manufactured within the Project that might result in violation of the law.

D. **CANCELLATION OF INSURANCE.** No activity shall be engaged in and no substance shall be introduced into or manufactured within the Project that might result in the cancellation of insurance or increase in the insurance rate on the Project (unless in case of such increase, the Apartment Owner or occupant responsible for such increase shall pay the same).

E. **SPEEDING.** Speeding will not be permitted on the Project premises. Appropriate action will be taken by the Managing Agent the County police pursuant to the letter of the law.

F. **SPILLAGE.** Spillage shall be cleaned immediately so as to prevent encroachment upon the Common Elements or any Apartment or harm to persons.

G. **WASTE MATERIALS; COLLECTION POND.** Waste fluids or materials shall be properly discarded in suitable containers or by recycling services or as recommended by the manufacturer. Dumping in plumbing or storm drain lines or in the surrounding landscaping is prohibited.

H. COMPLIANCE WITH ALL LAWS. Each Owner, occupant, family member, his employees, agents, customers, lessees, tenants, visitors, guests and other persons using the Project on his or her behalf, as appropriate, shall at all times observe and maintain all laws, ordinances, rules and regulations now and hereafter made by any governmental authority, the Association or the Board applicable to the use of the Project.

I. COOPERATION. All Owners and occupants shall cooperate with the reasonable requests of the Managing Agent with respect to matters of conduct in and about the Project.

XVI. GENERAL RULES.

A. FACILITIES. The recreational and other facilities, if any, which are a part of the Common Elements, are for the exclusive use of the Owners, Owner's lessees, occupants, tenants, visitors or guests accompanied by an Owner, unless otherwise provided that such use shall not be exclusive.

B. DELIVERIES AND SERVICE AREA. Only handtrucks equipped with rubber tires and slide guards will be permitted in the buildings of the Project. All deliveries shall only be brought through areas designated by the Managing Agent. All persons making deliveries to any Owner or occupant shall sign a delivery log in the office of the Managing Agent, or any other place designated by the Managing Agent.

C. HEAVY ITEMS. All transportation of freight, packages or bulky matter of any description must take place only during hours designated by the Board or the Managing Agent and then only with prior notice to and approval by the Managing Agent. The Board or the Managing Agent shall have the right to prescribe the location of heavy objects and if considered necessary, the means to distribute the weight thereof (to no more than fifty (50) pounds per square foot unless written approval is granted by the Managing Agent). All costs incurred will be charged to the Owner or occupant. Any damage to the Project caused by any such Owner or occupant or its contractor, delivery or moving service will be repaired at such Owner's or occupant's expense.

D. COMMON AREA FURNITURE. Furniture placed in the Common Elements by the Board or the Managing Agent or in the Limited Common Elements appurtenant to the Manager's Apartment by the Owner of said Apartment shall be used in those specific areas and may not be moved therefrom.

E. ACCESS. The Managing Agent is not required to give access to Apartments or buildings without the written permission of a responsible Owner.

F. OBSERVANCE AND PERFORMANCE OF HOUSE RULES. Each Owner and occupant shall observe and perform these House Rules and ensure that its family members, employees, agents, customers, lessees, tenants, visitors, licensees, guests and invitees and other persons using the Project on his or her behalf also observe and perform these House Rules. Owners and occupants will be responsible for their family members', employees', agents', customers', lessees', tenants', visitors', licensees', guests' or invitees' observance of all House Rules as set forth herein. In the event expenses are incurred due to violations of these House Rules by family members, employees, agents, customers, lessees, tenants, visitors, guests or licensees of an Owner or occupant, said Owner or occupant shall be responsible for payment of the same, including reasonable attorneys' fees and costs.

G. WATER FACILITIES. Toilets, sinks and other water apparatus in the Project shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, garbage or other articles be thrown into them. Any damage resulting from misuse of any toilets, sinks or other water apparatus in an Apartment shall be repaired and paid for by the Owner of such Apartment as set forth in the Bylaws.

H. RECREATIONAL ACTIVITIES/LOITERING. Recreational activities are permitted only in areas either designated or clearly intended for recreational purposes. No loitering is permitted in public halls or elevators, or other Common Element areas which would cause a disruption or disturbance.

I. WINDOWS. Aluminum foils or other reflective materials, bed sheets, papers, and the like may not be applied to windows, at any time. No exterior screens are permitted except for sliding glass doors with approved screen doors as set forth in the design guidelines that may be adopted by the Board. The Owner is responsible for the care and maintenance of these window coverings. Drapes, curtains, shutters, blinds and other window materials

must be kept in good condition. The Association can compel the Owners of an Apartment to replace shabby and torn materials exposed to the exterior. Additionally, all Owners must clean or have cleaned, on a monthly basis, those windows that are accessible from their Apartments or lanais or balconies.

J. LANAIS, BALCONIES AND WINDOW LEDGES.

1. Please refer to the Association documents with respect to these areas.
2. Sunshades, awnings or screens may not be used on the Apartment exterior windows or over balconies or lanais of the Apartment unless approved in writing by the Board or Managing Agent. Rugs, towels, mops or clothing shall not be draped over balconies or lanais. No permanent rug or carpeting is allowed on or shall be attached to these balcony or lanai areas.
3. The care and maintenance of the balcony decking area and balcony railings is the responsibility of each individual Owner. Care must be taken to prevent irrigation and cleaning water, detergents and other fluids from running and dripping over the edges of the balcony or lanai area onto the balconies or lanais below. Each Owner should assume the responsibility that potted plants in and around their units have appropriate catch canisters underneath them.
4. No one is allowed to climb or stand on the railings.
5. The lanais of the Apartments shall be used as an outdoor living area, containing lanai furniture, potted plants and other similar outdoor furnishings, that comply with the standards governing the appearance of such items (including without limitations, size, materials, color and fabric). The lanais shall not be used for storage of any type, including, without limitation, boxes, tools, exercise and sports equipment, bicycles, toys, beach equipment, cleaning utensils and supplies or other household items. The lanais shall be maintained in clean, neat and sanitary condition at all times, and nothing shall be placed on the balconies or lanais so as to render them unsightly or offensive to the other Owners or to any other property in the vicinity of the Project or its occupants, including but not limited to draping any items over balcony railings.
6. A design standard for lanai surfaces will be established by the Board.

XVII. VIOLATIONS OF THESE HOUSE RULES.

A. REPORTING VIOLATIONS AND DAMAGES.

1. Whenever possible, violations of these House Rules should be reported to the Managing Agent. The Managing Agent will keep the identity of the complainant confidential.
2. All corrective actions regarding violations of the House Rules and damages to the Common Elements will be enforced by the Board or enforcement delegated to the Managing Agent, and should be reported promptly to the Managing Agent or the Board.
3. Damage to Common Elements shall be surveyed by the Board or the Managing Agent, and the cost of repair or replacement and any legal fees incurred may be assessed by the Board against the Owner responsible, including, for damage caused directly or indirectly by their, occupants, guests, employees and other persons using the Project on their behalf, and the unpaid amount of such costs and fees against any Owner shall constitute a lien against his interest in his apartment which may be foreclosed by the Board of Directors or Managing Agent in the same manner as provided in the Condominium Property Act for common expenses.

B. THE VIOLATION OF ANY HOUSE RULES ADOPTED BY THE ASSOCIATION SHALL GIVE THE BOARD OF DIRECTORS OR ITS AGENTS THE RIGHT TO:

1. Enter the Apartment in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner or occupant, 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 liable for any damages or guilty in any manner of trespass, provided, however, that judicial proceedings must first be instituted before any items of construction can be altered or demolished, and/or

2. 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 and costs, shall be borne by the defaulting owner or occupants, and/or

3. Impose such penalties and fines as it deems appropriate and the unpaid amount of such penalties and fines against any apartment owner shall constitute a lien against his interest in his apartment which may be foreclosed by the Board of Directors or Managing Agent in the same manner as provided in the Condominium Property Act.

XVIII. COMPLIANCE WITH WAILEA BEACH VILLAS ASSOCIATION DOCUMENTS.

Notwithstanding anything herein to the contrary, these House Rules shall be subject to the Wailea Community Association Amended and Restated Declaration of Covenants and Restrictions, as amended from time to time, and any bylaws, rules or regulations promulgated thereunder (the "Master Documents"), and in the event of any conflict between these House Rules and the Master Documents, the Master Documents shall govern and the Board shall make such changes to these House Rules as necessary from time to time to comply with the Master Documents.

XIX. AMENDMENTS.

The Board may amend these House Rules by the vote of a majority of those Directors present at a duly called meeting at which a quorum of Directors is present, and shall become effective when published to all apartment Owners.

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