

**HOUSE RULES AND REGULATIONS OF
THE ASSOCIATION OF UNIT OWNERS OF
`OHANA HALE**

These House Rules and Regulations ("House Rules") have been duly adopted by the Board of Directors (the "Board") of the Association of Unit Owners of `Ohana Hale (the "Association") in accordance with Section 13.10 of the Declaration of Condominium Property Regime of `Ohana Hale recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii ("Land Court") as Document No. T-10572363A thru T-10572363B, as the same may be amended from time to time (the "Declaration"). These House Rules are intended to promote harmonious living and maximize enjoyment at `Ohana Hale (the "Project") and to protect all occupants of the Units in the Project from annoyance or nuisance caused by improper or unreasonable conduct or use of the Units and to maintain a safe, clean, friendly, and cooperative environment for the benefit of everyone.

The Board has the authority and responsibility to enforce these House Rules, but may delegate that authority and responsibility to the Managing Agent and/or the Manager. Everyone on the Project's premises shall be bound by these House Rules, by standards of reasonable conduct, and general consideration for others regardless of whether such standards expressly appear in these House Rules.

These House Rules supplement existing obligations as set forth in the Declaration and the Bylaws of the Association of Unit Owners of `Ohana Hale, as amended from time to time (the "Bylaws"). In the event of any conflict or inconsistency between these House Rules and the Declaration and Bylaws, the Declaration and Bylaws will govern and the Board shall make such changes to these House Rules as may be necessary to conform to the Declaration and Bylaws, and to conform to any changes in the law that may occur from time to time. These House Rules and use of the Project shall also be subject in all respects to any other covenants, conditions and restrictions affecting the title to the Project and the underlying land.

1. DEFINITIONS

Capitalized terms used in these House Rules that are not defined in this Section 1 or above shall have the meanings given to them in the Declaration. Defined terms may be used in the singular or plural in varying tenses or forms, but such variation does not affect the meaning of the terms so long as those terms are written in initial capital letters. When such terms are used in these House Rules without initial capital letters, such terms will have the meaning they have in common usage. Where legal, technical, or trade terms are used, and the context in which they are used indicates that they are to be given their legal, technical, or trade usage meanings, then those terms will have their legal, technical, or trade usage meanings.

1.1 "Appellant" is defined in Section 13.4.

1.2 "Common Areas" has the same meaning as "Common Elements" in Section 3.3 of the Declaration, and includes but is not limited to all walkways, driveways, passageways, hallways, handicap-accessible parking stalls, loading areas, trash rooms, bicycle storage areas, lobby, elevator, open spaces, and recreational areas.

1.3 "Community Room" means the room on the first floor of the Project connecting the lobby and elevators, designated as a Common Area for the use and enjoyment of all Occupants.

1.4 "Developer" means Pumehana Hui LP, a Hawaii limited partnership, its successors and assigns.

1.5 "Guest" means any guest, licensee, or invitee of an Owner or Occupant who does not reside in the Project and enters any part of the Project for any period of time.

1.6 “Manager” means the person, if any, retained by or on behalf of the Board and/or Managing Agent to manage the day-to-day operations of the Project, who may be a resident, site, or general manager.

1.7 “Managing Agent” means the responsible professional corporate managing agent appointed by the Board, which manages and operates the Project.

1.8 “Occupant” means an Owner, tenant, lessee, resident, or any other person who occupies or otherwise uses a Unit.

1.9 “Owner” means the owner or owners of record, as defined in the Declaration, of a Unit.

1.10 “Pets” means typical household pets such as dogs, cats, guinea pigs, chinchillas, rabbits, birds, small amphibians, and fish, and excludes poultry, livestock, and wild animals not typically suitable for urban apartment living.

1.11 “Quiet Hours” is defined in Section 10.1.

1.12 “Recreation Area” means the outdoor spaces located on the ninth floor of the Project, designated as a Common Area for the use and enjoyment of all Occupants.

1.13 “Unit” means a condominium unit in the Project.

2. OCCUPANCY OF UNITS.

2.1. Move-In and Move-Out. Occupants moving in or moving out of a Unit shall give the Managing Agent or Manager no less than two (2) days’ advance notice so that an elevator may be reserved and protective pads installed. Occupants shall use only the elevator designated by the Managing Agent or Manager for moving in or moving out of a Unit and only for the time reserved. Occupants shall accomplish all moving activity between the hours of 8:00 a.m. and 4:30 p.m. on Monday through Saturday. Occupants shall not pack or unpack, nor instruct movers to pack or unpack, containers or furniture in hallways or other Common Areas (except designated loading areas). All packing and unpacking must be done inside the Unit or in designated loading areas.

2.2. Registration; Occupancy by Non-Owners. Subject to the rental and occupancy prohibitions set forth in the Declaration, an Owner shall register any and all Occupants with the Association in a form specified by the Board including information such as Occupant’s name and contact information. Owners are ultimately and legally responsible at all times for the conduct of all Occupants of their Unit and their Guests. Owners shall ensure that Occupants of their Unit and their Guests: (a) are given a copy of these House Rules.; (b) do not unreasonably interfere with the quiet enjoyment of any other Occupant’s or Guest’s enjoyment of the Project; (c) do not present a safety risk to other Occupants or Guests; and (d) do not present an unreasonable risk of damage to the property of other Owners, Occupants, or the Association.

3. SAFETY AND SECURITY.

3.1. Personal Responsibility. Each Owner and Occupant shall exercise due care with respect to their own personal safety in the Project, and assumes full responsibility for protecting his or her Unit, motor vehicle (if any), and personal items from theft, vandalism, or other loss.

3.2. Entering. The building’s entry doors are locked. Keyless access devices are required to enter the building. Occupants shall not allow strangers to enter the building behind them.

3.3. Guests. Occupants shall accompany Guests through the Common Areas of the Project at all times.

3.4. Bicycle, Skateboard, Scooter, and Skate Safety. For safety reasons, bicycles, skateboards, scooters, roller skates and skateboards, and other similar wheeled items must not be left in any Common Areas. Riding or otherwise operating any such wheeled items in or through the Common Areas of the Project is prohibited, but may be taken or carried through the Project for purposes of storage in the Unit or use outside the building.

3.5. Motor Vehicle Safety. Occupants shall, at all times while in the parking garage, use headlights and drive at a safe and proper speed, and instruct their Guests to do the same.

3.6. Restricted Areas. For the safety and security of Owners, Occupants, and their Guests, no one except the Board, Managing Agent, Manager, Project staff, and their representatives may enter the mechanical rooms, utility rooms, electrical rooms, or the roof of the Project.

3.7. Deadbolts. Occupants may install one additional deadbolt on the entry door of their Unit according to such guidelines as the Board may adopt and promulgate from time to time.

3.8. No Illegal Activity. All activity not expressly written in these House Rules but which is prohibited by law is prohibited in the Project and all Units. This Section serves as notice that the Board intends to assist the appropriate authorities in prosecuting any illegal activity occurring in the Project and any Unit.

4. UNITS.

4.1. Cleanliness and Maintenance. Each Occupant shall at all times keep his or her Unit in a clean and sanitary condition. Each Owner shall maintain all electrical, mechanical, and plumbing components of his or her Unit and any improvements dependent on such components in accordance with all applicable maintenance requirements, operating standards, and guidelines of or promulgated by any governmental agency and the manufacturer.

4.2. Furniture. Furniture of such size and weight that would pose a hazard of structural impairment is prohibited. Occupants unsure of whether a contemplated furniture purchase would pose a hazard of structural impairment shall seek the advice of the Board. Waterbeds of any size are prohibited.

4.3. No Structural Impairment. No Occupant shall do, allow, or keep in his or her Unit or in any Common Area anything which would overload or impair the floors, walls, ceilings, or roof of the Project, or cause any increase in the ordinary insurance premium rates maintained by or for the Association, or the cancellation or invalidation of any insurance policy maintained by or for the Association.

4.4. Doors and Doorways. No Occupant shall sweep dust from his or her Unit into the hallway. No Occupant shall decorate the entry door of his or her Unit or hang signs, posters, signals, or lettering of any kind except in accordance with such standards and guidelines as the Board may establish from time to time. Occupants may place one doormat outside of the entry door, provided that the doormat is not wider than the Unit's door and placement of such doormat does not interfere with the passage of persons in the hallway or create a safety hazard. Occupants may keep a reasonable amount of footwear, such as slippers, shoes, or sandals on the doormat provided that such items do not interfere with the passage of persons in the hallway or create a safety hazard. Neither the Association, Board, Managing Agent nor Manager will be held liable for any lost, stolen or damaged items kept outside a Unit.

4.5. Smoking. Tobacco use producing smoke, including electronic cigarettes, is prohibited in all Units, as well as elsewhere in the Project.

5. COMMON AREAS.

5.1. Intended Use. The Common Areas of the Project were each intended for a specific use. Occupants and their Guests shall use Common Areas only for their respective purposes for which they were intended as designed. Recreational activities are prohibited in Common Areas, except those areas expressly designed for such activities and as otherwise specifically provided for in these House Rules. Occupants and their Guests shall wear appropriate attire and footwear in Common Areas.

5.2. Personal Items. Occupants shall not place, store, or maintain in any Common Area personal items of any nature and of any kind, including but not limited to furniture, packages, or boxes unless otherwise permitted by these House Rules. Neither the Association, Board, Managing Agent, nor Manager will be liable for the loss, theft, or damage of any personal item left in any Common Area, whether otherwise permitted by these House Rules or not.

5.3. Eating and Drinking. Except as otherwise specifically provided for in these House Rules, eating and drinking is prohibited in all Common Areas of the Project.

5.4. Smoking. Tobacco use producing smoke, including electronic cigarettes, is prohibited in all Common Areas of the Project.

5.5. Furniture and Fixtures. The furniture, furnishings, fixtures, and equipment in the Common Areas are provided for the comfort, convenience, and enjoyment of all Occupants and their Guests. No Occupant or Guest shall alter, move, or remove any of the furniture, furnishings, fixtures, or equipment in the Common Areas without the permission of the Board, Managing Agent, or Manager.

6. PARKING.

6.1. Designated Parking. Only Occupants whose Unit a parking stall is appurtenant to may park a motor vehicle in the building upon registration of the motor vehicle with the Managing Agent or Manager. Parking in areas of the building not expressly designed for parking is prohibited.

6.2. Parking for Persons with Disability. In the event an Owner is a person with disabilities, as defined by the Americans with Disabilities Act of 1990 (42 U.S.C. §1210), as amended from time to time, then said Owner, upon application to the Board or Managing Agent will be permitted to use any stall assigned by the Managing Agent or the Board for such Owner's use and designated as a handicapped parking stall, subject to the terms and conditions of the Declaration and Bylaws. Handicapped parking stalls shall be reserved for the exclusive use of Owners or Occupants who are disabled.

6.3. Registration. Occupants with motor vehicles, regardless of whether they occupy a Unit to which a parking stall is appurtenant or park in the building, shall register their motor vehicles with the Association in a form specified by the Board including information such as Occupant's name, Unit number, make, model, year, color, and license plate number of motor vehicle.

6.4. Loading Zone. The loading zone is provided for the convenience of all Occupants and is for active loading and unloading only. No parking or loitering is allowed. Occupants should extend courtesy and consideration toward others when using the loading zone, and should take no more time than is necessary to complete loading or unloading. The Managing Agent or Manager may reserve the loading zone without prior notice for activities including but not limited to move-in, move-out, and business relating to Project repairs or maintenance.

6.5. Due Care. Absolutely no playing or loitering is allowed in, on, or around the portion of the Project reserved for parking. Occupants shall exercise due care when parking in or leaving a parking stall. Occupants shall center their motor vehicle in the parking stall to prevent crowding or blocking of adjacent stalls. No motor vehicle may be parked so that any portion of it protrudes from the stall or encroaches into an adjacent stall.

6.6. Motor Vehicle Maintenance. Motor vehicles must be running, in good repair, and must not leak or drip any fluids such as coolant, motor oil, gear oil, transmission fluid, power steering fluid, or axle grease. Occupants shall keep the parking stall appurtenant to their Unit free from such fluids. From time to time and upon giving prior written notice and an opportunity to cure, the Association may clean any parking stall soiled by fluid from a motor vehicle and assess the Owner of the Unit whose parking stall is appurtenant a reasonable cleaning fee.

6.7. No Personal Property or Long-Term Storage. Occupants shall not store personal property in any parking stall. Occupants shall not keep any inoperable motor vehicle or store, for a period exceeding ninety days, any motor vehicle in any parking stall.

6.8. Non-Occupant Parking. The Association shall promulgate rules and/or policies for guest parking, if allowed.

6.9. Towing. The Managing Agent or Manager may tow any motor vehicle not registered with the Association, or any motor vehicle in the Project not in compliance with these House Rules and at the motor vehicle owner's expense.

7. PETS.

7.1. Pets Allowed. Subject to Section 7.5 of these House Rules, each Unit may keep up to two Pets, excluding birds and fish, but, including service animals, as defined by the Americans with Disabilities Act, and "emotional support" animals, all as set forth in this Section 7.1. Excluding service animals, no Pet may weigh more than thirty five (35) pounds at maturity. Pets must be housebroken and possess a temperament that reasonably does not present a threat to the safety of, or a nuisance to, others. Pets must be registered with the Association in a form specified by the Board including information such as Occupant's name, Unit number, species, breed, sex, color, and weight.

7.2. Birds and Fish. Subject to Section 7.5 of these House Rules, each Unit may keep up to two birds and an aquarium not exceeding twenty (20) gallons total volume.

7.3. Common Areas. Pets must be carried or leashed when transiting through Common Areas. Pets are allowed in the Recreational Areas, provided that they are leashed and under their owner's or handler's control at all times. No Pet owner shall allow their Pet to relieve itself in any of the Project's Common Areas. Should a Pet soil a Project Common Area despite the Pet owner's due care, the Pet Owner shall immediately clean up after his or her Pet and restore the affected area to its pre-soiled condition.

7.4. Liability and Indemnity. Each Owner of a Unit is fully responsible for any damage to property or injury to others caused by a Pet kept in their Unit regardless of whether the Owner actually owns the Pet. In the case of damage to Project, the cost of repair or replacement will be assessed to the Owner. Each Owner of a Unit shall indemnify and hold harmless the Association, Board, Managing Agent, Manager, and its representatives, agents, and assigns from and against all claims, liabilities, and damages arising out of the presence of Pets kept in that Unit.

7.5. Prohibitions. Notwithstanding anything to the contrary in these House Rules, the following are prohibited under any circumstances: (a) the keeping of animals by any person convicted of animal neglect, animal cruelty, or any other law intended to prevent neglect or mistreatment of animals, under the laws of any state regardless of where the conviction occurred; (b) the keeping of any animal described as a "pest" under HAW. REV. STAT. §150A-2 or prohibited from importation under HAW. REV. STAT. §141-2, § 150A-5, or § 150 A-6; (c); the keeping of any livestock or poultry, including chickens, whether domesticated or not; (d) withholding or failing to provide adequate food, water, or necessary veterinary care to any animal; and (e) the breeding of any animal.

7.6. Removal by Board Order. The Board shall order the removal of any animal from the Project causing a nuisance or unreasonable disturbance to any Occupant upon the following terms and conditions. The Managing Agent or Manager shall first issue a written notice of such nuisance or unreasonable disturbance to the Owner and the animal's owner, if applicable, and allow a reasonable time to cure by training or re-training the animal. Should the animal continue to cause a nuisance or unreasonable disturbance after being given a reasonable time to cure, the Board shall order the animal's removal from the Project. In the case of an offending service animal, should the service animal continue to cause a nuisance or unreasonable disturbance after being given a reasonable time to cure, the Board shall order the service animal's removal from the Project, but shall also allow a reasonable time for the service animal's owner to acquire a replacement service animal trained to perform the same task(s). For the safety and protection of Owners, Occupants, and Guests, the Board shall order the immediate removal of any animal, including a service animal, which causes personal injury or poses an imminent threat of physical harm to others. The Board shall order the immediate removal of any animal kept in violation of Section 7.5 of these House Rules, shall notify the appropriate authorities.

8. COMMUNITY ROOM AND RECREATIONAL AREAS.

8.1. Community Room Hours. Community Room hours are 7:00 a.m. through 10:00 p.m. daily. Due to the open nature of the Community Room and its proximity to the Lobby and elevators, Occupants may still enter and pass through the Community Room outside of these hours, but shall not loiter or engage in any recreational activity.

8.2. Recreation Area Hours. Recreation Area hours are 7:00 a.m. through 9:30 p.m. Sunday through Thursday, and 7:00 a.m. through 10:30 p.m. Friday through Saturday.

8.3. No Exclusive Use Without Reservation. The Recreation Area is for the use and enjoyment of all Occupants of the Building without exclusion. Occupants may not claim exclusive use of any Recreation Area without a reservation approved in advance by the Managing Agent or Manager. An Occupant may reserve a Recreation Area by providing the Managing Agent or Manager a written request at least three (3) business days in advance of the reservation in a form specified by the Board. The request must state the name and Unit number of the reserving Occupant, date of reservation, time period desired to be reserved not exceeding four hours, anticipated number of guests, and nature of the function. Reservations may be made for personal functions only. Commercial functions and commercial activity of any kind are prohibited. No reservation is effective until the Managing Agent or Manager approves the reservation. Occupants must clean up the Recreation Area after their function ends including removing all trash. Notwithstanding anything to the contrary in these House Rules, the Managing Agent or Manager may assess a cleaning fee of up to \$200.00 to the Unit's Owner for any Recreation Area left in an unclean condition after a reservation.

8.4. Occupant Present When Hosting Functions. For any function in the Community Room or any Recreation Area, the Occupant hosting the function must be present with his or her Guests. The Managing Agent or Manager may require any Guest using the Community Room or any Recreation Area to identify him or herself by name and to give the Unit number and name of the host Occupant in order to confirm the physical presence of the Occupant. Host Occupants shall ensure their Guests' compliance with these House Rules. The Managing Agent or Manager may ask any Guest violating these House Rules to leave the Project.

8.5. Eating and Drinking. Eating, drinking, and picnicking are allowed in the Community Room and Recreation Areas. Alcoholic beverages are prohibited in the Community Room, but are permitted in moderation in the Recreation Areas. The use of hibachis, barbeque grills, and any other open-fire cooking equipment is prohibited in the Community Room and Recreation Areas for safety reasons. Intoxicated persons are not permitted to enter or remain in the Community Room or Recreation Areas.

9. TRASH DISPOSAL.

9.1. No Littering. Littering is prohibited. Occupants and Guests shall dispose of trash in trash receptacles located throughout the Common Areas.

9.2. Trash Chute. Trash chute hours are 7:00 a.m. to 10:00 p.m. daily. Only dry trash that is properly bagged and tied may be disposed of in the trash chute. Disposing of loose trash in the trash chute is prohibited. The following may not be disposed of in the trash chute and must be brought directly to the trash room: (a) all trash disposed of outside trash chute hours; (b) all glass; (c) all pet waste, including sand, granular material, and litter paper; (d) wet trash; (e) bulky items that could possibly become stuck in the trash chute; and (f) all construction trash and debris.

10. NOISE.

10.1. Quiet Hours. The Project's quiet hours are from 10:00 p.m. to 7:00 a.m. Sunday through Thursday, and 12:00 a.m. through 7:00 a.m. Friday through Saturday ("Quiet Hours"). Noise-generating activities and uses that may be heard by others in the Project such as listening to loud music, watching television at a high volume, use of outdoor areas, social functions, loading and unloading, deliveries, and other activities are not permitted during Quiet Hours. Occupants and their Guests should keep the noise level in their Unit at or below normal speaking volume during Quiet Hours. Notwithstanding the above, Occupants and their Guests shall, at all times, exercise care so as not to make or permit excessive noise that may unreasonably disturb others, especially when using musical instruments, radios, televisions, and other devices with sound amplification.

10.2. Appliances. Washer and dryer use in Units is prohibited during Quiet Hours. Household appliances that may potentially generate excessive noise, such as blenders and vacuum cleaners, should not be used during Quiet Hours.

11. BUILDING AND UNIT MODIFICATIONS.

11.1. Electrical Modifications. No Owner or Occupant shall install any telephone equipment, television antennae, satellite dishes, air conditioning units, or other equipment or appurtenances or electrical wiring for such equipment or appurtenances on the exterior of the Project or protruding through the walls, windows, or roof of the Project without the prior written approval of the Board, except that antennae covered by the FCC Antenna Rule (47 C.F.R., Part 1, Subpart S, Section 1.4000 et seq.) may be installed in accordance with guidelines adopted by the Board from time to time.

11.2. Wall Penetration. No holes or penetrations may be made in or to Common Area or Limited Common Area walls, floors, or ceilings. Before making any penetrations into non-concrete partition walls, an Owner or Occupant shall first familiarize himself or herself with the location of wiring and plumbing in order to avoid personal injury, damage to the wires or pipes, Unit walls, or other Units.

11.3. Hours of Work. Hours of work for construction activity in Units are Mondays through Fridays, 8:00 a.m. to 5:00 p.m. No construction activity may occur outside of these hours.

11.4. Trash Removal. The use of the Project's trash chute and trash room for disposing of construction trash or debris is strictly prohibited. The Owner or Occupant shall notify any persons engaged in construction activity in his or her Unit of this prohibition and shall make necessary arrangements for disposal of construction trash or debris not through the Project's trash chute or in the trash room.

11.5. Common Area Protection and Cleanup. It shall be a requirement of the work that all hallways and other common areas of the Project are cleaned of construction debris and other rubbish on a daily basis by any person or persons working on a Unit. No accumulation of trash or other debris from

the construction activity within a Unit shall be allowed or permitted to remain in the hallways or other common areas of the Project.

11.6. Construction Parking. Due to the lack of available on-site parking, all contractors and other persons engaged in construction activity in a Unit must be notified by the Owner or Occupant to park outside the building, unless special arrangements for parking on-site are made with the Managing Agent or Manager. If on-site parking is provided and any person engaged in construction activity in a Unit parks their motor vehicle in an area not specifically permitted, then such vehicle will be subject to tow at the Unit Owner's expense.

13. ENFORCEMENT OF HOUSE RULES.

13.1. Monetary Fines. In addition to any other remedy available to the Association at law or in equity, a monetary fine may be charged against the responsible Owner for each violation of the Declaration, Bylaws, or these House Rules. Unpaid fines will constitute a lien on the Owner's 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.

13.2. Initial and Subsequent Violations. The Managing Agent or Manager is authorized to issue written citations and levy fines. The procedure for issuing citations and fines is as follows.

- Step 1 Written citation to the offending Occupant, with a copy of said citation being sent to the Owner if the offender is not the Owner.

- Step 2 Written citation to the offending Occupant, with a copy being sent to the Owner if the offender is not the Owner. A fine of fifty dollars (\$50.00) per violation will be assessed against the Owner if the violation that prompted the first written citation is not corrected within thirty (30) calendar days the date of the citation, if there is a second violation of the same provision of the Declaration, Bylaws, or House Rules, or if there is a subsequent violation of a different provision of the Declaration, Bylaws, or House Rules.

- Step 3 Written citation to the offending Occupant, with a copy being sent to the Owner if the offender is not the owner. A fine of one hundred dollars (\$100.00) per violation will be assessed against the Owner if the violation that prompted the second written citation is not corrected within thirty (30) calendar days from the delivery or mailing, whichever is first in time, of the second written citation, if there is a third violation of the same provision of the Declaration, Bylaws, or House Rules, or if there is a subsequent violation of a different provision of the Declaration, Bylaws, or House Rules.

- Step 4 Written citation (sent via Certified Mail) to the offending Occupant, with a copy being sent via Certified Mail to the Owner if the offender is not the Owner. A fine of two hundred dollars (\$200.00) per violation will be assessed against the Owner if the violation that prompted the third written citation is not corrected within thirty (30) calendar days from the delivery or mailing, whichever is first in time, of the third written citation, if there is a fourth violation of the same provision of the Declaration, Bylaws, or House Rules, or if there is a subsequent violation of a different provision of the Declaration, Bylaws, or House Rules. The Association also reserves the right to take appropriate legal action to preclude the continuance of the violation(s).

13.3. Late Fee. Any assessment not paid within fifteen (15) calendar days after the due date will be subject to a late charge as may from time to time be established by the Board. Unpaid, delinquent fines are the responsibility of the Owner. After twelve (12) months, a paid fine will be removed from an Occupant's record and will not be used in calculating subsequent violations.

13.4. Appeal from Citations and Fines. Any person fined and/or cited ("Appellant") may appeal from the fine and/or citation imposed by the Board, the Managing Agent, or the Resident Manager as follows:

a. Notice of Appeal. By delivering to the Managing Agent or Manager, within twenty (20) calendar days after the date of citation, a written notice of appeal and Appellant's reasons for appealing the citation. The filing of a notice of appeal will not halt the accrual of any ongoing fine imposed for the violation that is the subject of the appeal. However, the Board may waive or rescind all or part of such fine for good cause at the time of the hearing of such appeal.

b. Time for Hearing Appeal. All appeals will be heard by the Board either by conference call or at a physical meeting of the Board within sixty (60) calendar days after the notice of appeal has been delivered to the Managing Agent or Manager.

c. Procedure. A statement of the facts on which the fine or citation was based will be furnished to the Appellant at least (10) calendar days before the hearing. Each appeal will be handled on a case-by-case basis. If a physical meeting is required or requested by the appellant, the Appellant and witnesses on the appellant's behalf, if any, may present Appellant's defense and supporting evidence. The Board may ask other persons to attend and present testimony, and the Board may consider all relevant testimony, evidence, and information related to the violation.

d. Disposition of Appeal. The Board may not act unless a quorum is present. The Board shall vote as to whether the citation and amount of the fine (if any) is affirmed. If a majority of the Board present votes in the affirmative, the citation and amount of the fine (if any) will be upheld and continue in full force and effect. The Board may also elect to reduce the amount of any fine for good cause. If less than a majority of the Board present votes in the affirmative, then the citation and any fine assessed will be rescinded.

14. AMENDMENT OF HOUSE RULES.

Except to the extent expressly proscribed or limited by the Declaration, the Bylaws, or these House Rules from time to time by action of the Board as it deems appropriate to promote the safety, care, and cleanliness of the Project and to ensure the comfort and convenience of all Occupants and Guests, so long as such rules are not inconsistent with any applicable laws, ordinances, codes, rules or regulations applicable to the Property and/or its management or operation. During the Developer Control Period, the Developer may amend these House Rules in any manner without the joinder, consent or approval of any other party.

15. NONDISCRIMINATION POLICY.

Pursuant to Hawaii Revised Statutes Chapter 515, Title VIII of the Civil Rights Acts of 1968 as amended by the Fair Housing Amendments of 1988, the Association does not discriminate on the basis of race, sex, color, religion, marital status, familial status, ancestry, disability, age or HIV (human immunodeficiency virus infection) in housing or real estate transactions. It is our policy to extend to all individuals the full and equal enjoyment of the advantages, facilities, privileges and services consistent with Hawaii Revised Statutes Chapter 515 and the Federal Fair Housing Laws. When providing services and facilities or enforcing these House Rules, the Association will not allow discrimination, except as permitted by law. In particular, the Association will not treat any person unequally: (a) in granting or withholding any approval or consent required under the Association's rules; (b) in enforcing requirements of the Association rules about occupancy restrictions or use of the recreational facilities which might

unlawfully restrict families with children; (c) in processing requests of disabled Occupants in order to (i) make reasonable modifications to their Unit or the Common Areas at their own expense; and (ii) have reasonable exemptions from requirements of these House Rules, to enable them to have full use and enjoyment of the project. If the Board determines that enforcement of any of these House Rules could result in unlawful discrimination, the Board shall take such action as is reasonably necessary and to the extent required to prevent unlawful discrimination from occurring.